

2022 COMPLIANCE REVIEW REPORT

Office of National Drug Control Policy

MARCH 2022

Introduction

Background

This Summary presents for Congress the *2022 Compliance Review Report*. This report consists of Detailed Accounting Reports (DAR) and Budget Formulation Compliance Reports (BFCR) prepared by the National Drug Control Program agencies.

The DAR is required pursuant to 21 U.S.C. § 1704(d)(1)-(2)¹:

(d) Accounting of funds expended

(1) In general: Not later than February 1 of each year, in accordance with guidance issued by the Director, the head of each National Drug Control Program agency shall submit to the Director a detailed accounting of all funds expended by the agency for National Drug Control Program activities during the previous fiscal year and shall ensure such detailed accounting is authenticated for the previous fiscal year by the Inspector General for such agency prior to the submission to the Director as frequently as determined by the Inspector General but not less frequently than every 3 years.

(2) Submission to Congress: The Director shall submit to Congress not later than April 1 of each year the information submitted to the Director under paragraph (1).

In assessing reliability, ONDCP anticipates each Office of Inspector General (OIG) will conduct an attestation review consistent with the *Statements for Standards of Attestation Engagements*, promulgated by the American Institute of Certified Public Accountants.² An attestation review is more limited in scope than a standard financial audit, the purpose of which is to express an opinion on management's assertions. The objective of an attestation review is to evaluate an entity's financial reporting and to provide negative assurance. Negative assurance, based on the criteria established by ONDCP guidance, indicates that nothing came to the attention of the OIG that would cause them to believe an agency's submission was presented other than fairly in all material respects.

ONDCP guidance³ permits an agency to request an "Unreasonable Burden Exception," if the drug-related obligation is less than \$50 million. An agency or bureau included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may submit an Alternative DAR and BFCR. An agency or bureau submitting an Alternative DAR shall provide the drug control funding obligations information required under Section 7.a. and the assertions required under Section 7.b of the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

For this reporting period, and consistent with 21 U.S.C. § 1704(d)(1), the OIGs from the Departments of Justice (DoJ), State (for the United States Agency for International Development

¹ The full text of the law is available at <https://www.law.cornell.edu/uscode/text/21/1704>

² Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the Inspector General shall determine the frequency with which to conduct an attestation review of accounting reports, but such reviews shall be conducted not less frequently than every 3 years.

³ *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. September 9, 2021.

(USAID), Homeland Security (DHS), and Education elected to conduct an attestation review for the fiscal year ending September 30, 2021.

Department Compliance and Attestation Reviews

The following Departments and agencies did not fully comply with 21 U.S.C. § 1704(d)(1) and ONDCP guidance. ONDCP will work with the identified agencies in fulfilling the requirements of the Circular for the FY 2022 reports.

- There are several agencies that did not provide signed assertions, as required per ONDCP Circular. These agencies are Department of Interior's Bureau of Indian Affairs (BIA) and National Park Service (NPS), and Department of Homeland Security's (DHS) Science & Technology Directorate (S&T). They have been assessed a rating of "pass", since they submitted all the required information, but were missing signatures. ONDCP will work with the agencies in complying with the requirements in future reports.
- The Department of State's International Narcotics and Law Enforcement Affairs (INL) did not provide signed assertions, as required per ONDCP Circular. In addition, the Department of State OIG failed to perform an independent review of INL. Therefore, INL has been assessed a rating of "fail". ONDCP will work with INL and the OIG to ensure full compliance with future reporting requirements.

Provided below are a summary table and synopses of each agency's report. Together, these sections describe each agency's compliance with 21 U.S.C. § 1704(d)(1). Where there were compliance issues or material weaknesses identified, ONDCP will work as noted with the agency to address prior to the submission of the FY 2022 reports.

FY 2021 Summary Table of Agency Compliance

	Budget Formulation Compliance Report				Detailed Accounting Report				
	Provided Required Formulation Information	Provided Signed Management Assertions	OIG/ Indep. Auditor Attestation Review/ Finding	Compliance with ONDCP Circular	Provided Required Accounting Information	Provided Signed Management Assertions	OIG/ Indep. Auditor Attestation Review/ Finding	Material Weakness Identified	Compliance with ONDCP Circular
	Yes/No	Yes/No	N.R. or N.A. or Yes	Pass/Fail	Yes/No	Yes/No	N.R. or N.A. or Yes	Yes/No with footnote 4 as relevant	Pass/Fail
Agriculture									
United States Forest Service	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Office of Rural Development	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Americorps									
Community Supervision and Pretrial Services	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
Defense									
Defense Health Agency	N.R.	N.R.	N.R.	N.R.	Yes	Yes	N.R.	N.A.	Pass
Drug Interdiction and Counterdrug Activities	N.A.	N.A.	N.A.	N.A.	Yes	Yes	N.R.	N.A.	Pass
Defense Security Cooperation Agency	N.A.	N.A.	N.A.	N.A.	Yes	Yes	N.A.	N.A.	Pass
Education									
Elementary and Secondary Education	N.A.	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Health and Human Services									
Administration for Children and Families	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Centers for Disease Control and Prevention	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Centers for Medicaid and Medicare Services	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Food and Drug Administration	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Health Resources Service Administration	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
Indian Health Service	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
National Institute on Alcohol Effects and Alcohol-Associated Disorders ⁵	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
National Institute on Drugs and Addiction ⁶	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
Substance Use and Mental Health Services Administration ⁷	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
Homeland Security									
Customs and Border Protection	Yes	Yes	Yes	Pass	Yes	Yes	Yes	Yes	Pass
Federal Emergency Management Agency	Yes	Yes	N.A.	Pass	Yes	Yes	N.A.	N.A.	Pass
Federal Law Enforcement Training Center	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Immigration and Customs Enforcement	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Science and Technology Directorate	Yes	No	N.R.	Pass	Yes	No	N.R.	N.A.	Pass
United States Coast Guard	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Housing and Urban Development									
Office of Special Needs Assistance Programs	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Interior									
Bureau of Indian Affairs	Yes	No	N.R.	Pass	Yes	No	N.A.	N.A.	Pass
Bureau of Land Management	Yes	Yes	N.R.	Pass	Yes	Yes	N.A.	N.A.	Pass
National Park Service	Yes	No	N.R.	Pass	Yes	No	N.A.	N.A.	Pass
Justice									
Asset Forfeiture Fund	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	Yes	Yes	Yes	Pass	N.R.	N.R.	N.R.	N.R.	N.R.
Criminal Division	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Drug Enforcement Administration	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Federal Bureau of Prisons	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Federal Bureau of Investigation	Yes	Yes	Yes	Pass	N.R.	N.R.	N.R.	N.R.	N.R.
Office of Justice Programs	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Offices of the United States Attorneys	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Organized Crime Drug Enforcement Task Force	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
United States Marshals Service	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Labor									
Employment and Training Administration	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Office of Workers' Compensation Programs	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
State									
International Narcotics and Law Enforcement Affairs	Yes	No	No	Fail	Yes	No	No	NA	Fail
United States Agency for International Development	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
Transportation									
Federal Aviation Administration	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
National Highway Traffic Safety Administration	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Treasury									
Financial Crime Enforcement Network	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
The Office of Foreign Assets Control	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Internal Revenue Service	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass
U.S. Postal Inspection Service									
U.S. Postal Inspection Service	Yes	Yes	N.R.	Pass	Yes	Yes	N.R.	N.A.	Pass
Veterans Affairs									
Veterans Health Administration	Yes	Yes	Yes	Pass	Yes	Yes	Yes	No	Pass

¹ Pass/Fail. Each individual report (i.e., Budget Formulation Report, Detailed Accounting Report, and Performance Summary Report) is assessed separately. For a report to be assessed as a "pass" all required elements for each report must be provided. If an element is missing it will result in assessment of "fail."

² N.R. - Not Required/Provided. Per ONDCP Circular: National Drug Control Program Agency Compliance Reviews, the Inspector General shall determine the frequency with which to conduct an attestation review of accounting reports, but such reviews shall be conducted not less frequently than every 3 years.

³ N.A. - Not Applicable. CSOSA does not have an IG component or function to review and express a conclusion on the reliability of the accounting and performance assertions made in its report. ONDCP granted CSOSA's exception request for the FY 2020 reporting period.

⁴ No Material Weakness Identified. This category includes circumstances where Agency level audits found materials weaknesses in accounting procedures; however, they did not impact the accurate reporting of drug control funding and/or there were no material weaknesses regarding drug control reporting.

⁵ The FY 2023 President's Budget includes a proposal to change the name of the National Institute on Alcohol Abuse and Alcoholism to the National Institute on Alcohol Effects and Alcohol-Associated Disorders.

⁶ The FY 2023 President's Budget includes a proposal to change the name of the National Institute on Drug Addiction to the National Institute on Drugs and Addiction.

⁷ The FY 2023 President's Budget includes a proposal to change the name of the Substance Abuse and Mental Health Services Administration to the Substance Use and Mental Health Services Administration.

Summary of Agency Reports

Department of Agriculture (Tab A)

USDA's USFS submitted to ONDCP all FY 2021 information in a single document as part of its requirement under 21 U.S.C. § 1704(d)(1). The funding levels for USFS fell below the reporting threshold of \$50 million; therefore, ONDCP granted the exception that allowed their submissions to consist of a limited report that includes a table of FY 2021 drug-related obligations. USFS mislabeled their FY 2021 obligations as budget authority, however, a supplementary table was provided. USFS is assessed a rating of "pass."

USDA's Office of Rural Development (ORD) also submitted all the required reports and documentation. ONDCP appreciates the increased collaboration with ORD over the past year and looks forward to continuing to work together to ensure as much relevant information about ORD's important anti-drug work serving regions of the country severely impacted by the drug overdose crisis is shared. ORD is assessed a rating of "pass."

AmeriCorps (Tab B)

AmeriCorps satisfied all requirements established by 21 U.S.C. § 1704(d)(1). This is the first year AmeriCorps participated in the compliance review cycle. AmeriCorps is assessed a rating of "pass."

Court Services and Offender Supervision Agency (Tab C)

Court Services and Offender Supervision Agency (CSOSA) submitted to ONDCP all FY 2021 information in a single document as part of its requirement under 21 U.S.C. § 1704(d)(1). The agency includes descriptions and tables with FY 2021 obligations. CSOSA complied with ONDCP guidance, and is assessed a rating of "pass."

Department of Defense (Tab D)

DSCA, Defense Health Agency (DHA), and Undersecretary of Defense for Policy (for the Drug Interdiction & Counter Drug Activities appropriation) submitted partial required documents under 21 U.S.C. § 1704(d)(1). DHA submitted FY 2021 actual obligations based on the FY21 calendar year as of December 31, 2021 and not fiscal year ending on September 30th, 2021. DoD did not submit their summer budget per prior agreement.

Department of Education (Tab E)

Education's accounting of FY 2021 drug control obligations satisfies requirements established by 21 U.S.C. § 1704(d)(1). Education submitted components required in the BFCR and DAR

reports (with appropriate disclosures) by the agency for National Drug Control Program activities during FY 2021. The Department disclosed to ONDCP that the Department did not carry out an internal budget formulation process for FY 2023, under which OESE developed or submitted a budget request to ONDCP in summer of 2021. Consequently, the requirements of the ONDCP Circular are not applicable. Education is assessed a rating of “pass”.

Department of Health and Human Services (Tab F)

HHS’s FY 2021 drug control obligations accounting submission includes separate reports for the Administration for Children and Families (ACF), Centers for Disease Control and Prevention (CDC), Centers for Medicaid and Medicare Services (CMS), FDA, the Health Resources and Services Administration (HRSA), the Indian Health Service (IHS), the National Institutes of Health’s National Institute on Alcohol Effects and Alcohol-Associated Disorders⁴ (NIAAA) and National Institute on Drugs and Addiction⁵ (NIDA), and the Substance use And Mental Health Services Administration⁶ (SAMHSA). CMS reports actuarial outlay estimates for this mandatory spending program rather than budget authority and therefore expenditures are calculated under a different time schedule than discretionary funding. FDA is a new agency included in FY 2021 reporting cycle.

Information is provided below with regard to each HHS agency.

ACF: ACF provided the information for an alternative FY 2021 DAR as required by 21 U.S.C. § 1704(d)(1). ACF is assessed a rating of “pass.”

CDC: CDC satisfied all requirements established by 21 U.S.C. § 1704(d)(1). CDC is assessed a rating of “pass.”

CMS: CMS submitted an FY 2021 BFCR and DAR to ONDCP as part of its requirement under 21 U.S.C. §1704(d)(1). Note that in CMS reporting to ONDCP, grants to States for Medicare and Medicaid programs are not included; CMS reports actuarial outlay estimates for drug-related mandatory spending program rather than budget authority, and therefore expenditures are calculated under a different time schedule than discretionary funding. CMS is assessed a rating of “pass.”

FDA: FDA satisfied all requirements established by 21 U.S.C. § 1704(d)(1). FDA is assessed a rating of “pass.” This is FDA’s first year to submit a report to ONDCP; who will continue working with FDA to ensure their timely future submissions.

⁴ The FY 2023 President’s Budget includes a proposal to change the name of the National Institute on Alcohol Abuse and Alcoholism to the National Institute on Alcohol Effects and Alcohol-Associated Disorders.

⁵ The FY 2023 President’s Budget includes a proposal to change the name of the National Institute on Drug Addiction to the National Institute on Drugs and Addiction.

⁶ The FY 2023 President’s Budget includes a proposal to change the name of the Substance Abuse and Mental Health Services Administration to the Substance use And Mental Health Services Administration.

HRSA: HRSA corrected prior year IG findings and reported actual obligations in FY 2021. HRSA satisfied all requirements established by 21 U.S.C. § 1704(d)(1), and is assessed a rating of “pass.”

IHS: IHS satisfied all requirements established by 21 U.S.C. § 1704(d)(1). IHS is assessed a rating of “pass.”

NIAAA: NIAAA satisfied all requirements established by 21 U.S.C. § 1704(d)(1). NIAAA is assessed a rating of “pass.”

NIDA: NIDA satisfied all requirements established by 21 U.S.C. § 1704(d)(1). NIDA is assessed a rating of “pass.”

SAMHSA: SAMHSA satisfied all requirements established by 21 U.S.C. § 1704(d)(1). SAMHSA is assessed a rating of “pass.”

Department of Housing and Urban Development (Tab G)

The Department of Housing and Urban Development’s (HUD) did not submit actual FY 2021 Obligations; however, HUD submitted all the components of an FY 2021 BFR as required by 21 U.S.C. § 1704(d)(1). The reports complied with established guidance. HUD is assessed a rating of “pass” pending submission of actual obligations.

Department of Homeland Security (Tab H)

DHS’s DAR includes separate reporting for Customs and Border Protection (CBP), Federal Emergency Management Agency (FEMA), Federal Law Enforcement Training Centers (FLETC), U.S. Immigration and Customs Enforcement (ICE), and United States Coast Guard (USCG).

CBP: The DHS OIG identified no material weaknesses in the BFCR or DAR for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). However, CBP management was unable to provide supporting documentation for the methodology used in determining the drug control obligation percentages for each CBP program office. Moreover, CBP management was unable to provide supporting documentation for the methodology used in estimating the percentages of drug control activity obligations allocated between interdiction and intelligence. As a result, IG was unable to assess the reasonableness and accuracy of the methodologies used and Drug Methodology assertion. Except as noted above, nothing came to IG’s attention that caused it to believe that the FY 2021 DAR or related assertions is not presented in conformity with the criteria in the ONDCP Circular. Therefore, CBP is assessed a rating of “pass.”

FEMA: FEMA satisfied all requirements established by 21 U.S.C. § 1704(d)(1). FEMA is assessed a rating of “pass.”

FLETC: FLETC’s OIG identified no material weaknesses in the BFCR and DAR, for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). FLETC is assessed a rating of “pass.”

ICE: ICE’s OIG identified no material weaknesses in the BFCR and DAR, for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and. ICE is assessed a rating of “pass.”

USCG: USCG identified no material weaknesses in the BFCR and DAR, for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). USCG is assessed a rating of “pass.”

S&T: satisfied all requirements established by 21 U.S.C. § 1704(d)(1). S&T is assessed a rating of “pass.” Since S&T is new to the Compliance report cycle no IG review was conducted. S&T did not provide signed assertions.

Department of the Interior (Tab I)

The Department of Interior’s BFCR and DAR includes separate reports for BIA, the Bureau of Land Management (BLM) and NPS. The funding level for these bureaus’ FY 2021 drug-related activities falls below the reporting threshold of \$50 million, and the submissions included reports that provided selected information of FY 2021 drug-related obligations.

BIA: BIA provided an alternative report, as its prior year obligations for drug control activities fell below \$50 million. BIA did not submit signed assertions.

BLM: BLM provided an alternative report, as its prior year obligations for drug control activities fall below \$50 million.

NPS: NPS submitted an alternative report, since its prior year obligations for drug control activities fall below \$50 million. NPS did not provide signed assertions.

Department of Justice (Tab J)

DoJ’s BFCR and DAR includes separate reports for the Assets Forfeiture Fund (AFF), Criminal Division (CRM), Drug Enforcement Administration (DEA), Bureau of Prisons (BOP), Office of Justice Programs (OJP), Offices of the United States Attorneys (USA), Organized Crime Drug Enforcement Task Forces (OCDETF), and the United States Marshals Service (USMS).

AFF: The DOJ OIG identified a material weakness for the fiscal year ended September 30, 2021. In the FY 2021 Financial Statements Audit, the AFF/Seized Asset Deposit Fund received an unmodified audit opinion with one significant deficiency. The significant deficiency is related to the controls over timely recognition of forfeiture revenue. No material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). AFF is assessed a rating of “pass.”

CRM: The DOJ OIG identified no material weaknesses in the BFCR and DAR, for the fiscal year ended September 30, 2021 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). CRM is assessed a rating of “pass.”

DEA: The DOJ OIG identified no material weaknesses in the BFCR and DAR, for the fiscal year ended September 30, 2021 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). DEA is assessed a rating of “pass.”

BOP: The DOJ OIG identified one material weakness in the FY 2021 report related to BOP’s financial statement preparation. No material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). BOP is assessed a rating of “pass.”

OJP: The DOJ OIG identified one material weakness, a deficiency at OJP for monitoring cloud services organizations used to support the new grants management financial process, and deficiencies at three other DOJ components, which were reported as a consolidated material weakness by the auditors. In DOJ's Federal Financial Management Improvement Act (FMFIA) Assurance Statement, the OIG reported the OJP weakness as a significant deficiency in internal controls. There were no findings which may materially affect the presentation of prior year drug-related obligations data. OIG found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). OJP is assessed a rating of “pass.”

USA: The DOJ OIG identified one material weakness in the FY 2021 Independent Auditors’ Report, noting that improvements are needed in management’s risk assessment process, monitoring, and financial statement preparation and review. The audit required under Government Auditing Standards revealed no instances of non-compliance or other matters. OIG subsequently conducted tests that disclosed no instances where the Department’s financial management systems were substantially non-compliant with FFMIA. There were no findings which may materially affect the presentation of prior year drug-related obligations data. OIG found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). USA is assessed a rating of “pass.”

OCDETF: The DOJ OIG identified no material weaknesses in the BFCR and DAR for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). OCDETF is assessed a rating of “pass.”

USMS: The DOJ OIG identified no material weaknesses in the BFCR and DAR for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). USMS is assessed a rating of “pass.”

Department of Labor (Tab K)

The Department of Labor’s (DoL) Employment and Training Administration (ETA) and Office of Workers’ Compensation Programs (OWCP) submitted to ONDCP all the components of FY 2021 BFR and DAR documents as part of its requirement under 21 U.S.C. § 1704(d)(1). The funding levels for ETA’s and OWCP’s FY 2021 DAR fell below the reporting threshold of \$50 million; therefore, ONDCP granted the exception that allowed the submissions to consist of a

limited report that includes a table of FY 2021 drug-related obligations. The report was comprehensive, complete and provided in a timely fashion. Although DoL records their obligations on a program year (PY) basis, they were able to provide actual FY 2021 obligations. ETA and OWCP are assessed a rating of “pass.”

Department of State and Other International Programs (Tab L)

State’s INL and the United States Agency for International Development (USAID) each provided a BFR and DAR.

INL: INL provided all the required information and satisfied requirements under by 21 U.S.C. § 1704(d)(1) but did not provide signed assertions. In addition, the OIG failed to perform an independent review; INL is assessed a rating of “fail.” ONDCP will work with INL and the OIG to ensure they fully comply with reporting requirements in the future.

USAID: USAID identified no material weaknesses in the BFCR and DAR for the fiscal year ended September 30, 2021, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). USAID is assessed a rating of “pass.”

Department of Transportation (Tab M)

The Department of Transportation’s DAR includes separate reports for the Federal Aviation Administration (FAA) and the National Highway Traffic Safety Administration (NHTSA).

FAA: FAA’s The FY 2021 BFCR and DAR was submitted as required by 21 U.S.C. § 1704(d)(1). FAA is assessed a rating of “pass.”

NHTSA: The FY 2021 BFCR and DAR was submitted as required by 21 U.S.C. § 1704(d)(1). NHTSA is assessed a rating of “pass.”

Department of the Treasury (Tab N)

Treasury’s Internal Revenue Service (IRS) submitted the BFCR and DAR for FY 2021 to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1). IRS is assessed a rating of “pass”.

OFAC’s summer budget was not submitted to ONDCP at the same time as that budget request was submitted to its superiors, in accordance with 21 U.S.C. § 1703(c)(1)(A). FY 2022 is the first year OFAC participated in the Compliance Review. For this reason, OFAC have been assessed a rating of “pass”. ONDCP will work together with the OFAC to ensure that all requirements are met for next year’s report.

FINCEN submitted the BFCR and DAR for FY 2021 to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1). FINCEN is assessed a rating of “pass”.

Department of Veterans Affairs (Tab O)

The Department of Veterans Affairs' (VA) Veterans Health Administration (VHA) submitted an FY 2021 BFCR and DAR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1). OIG identified no material weaknesses in the BFCR and DAR for the fiscal year ended September 30, 2021 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1). VA is assessed a rating of "pass."

US Postal Inspection Service (Tab P)

United States Postal Inspection Service (USPIS) submitted the BFCR and DAR for FY 2021 to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1). USPIS is assessed a rating of "pass."

Tab A

DEPARTMENT OF AGRICULTURE
U.S. Forest Service

Budget Formulation Compliance Report

Summer Budget Formulation Information

Summer Drug Budget Transmittal

The summer budget was submitted to ONDCP on August 3, 2021.

Summer Drug Budget Resource Summary Table

Drug Resources by Decision Unit and Function	Budget Authority (in millions)	
Decision Unit- LE Agency Support	FY 2020	FY 2021
Intelligence	\$0.200	\$0.200
Investigations	12.000	12.000
Prosecution	0.200	0.200
State and Local Assistance	0.600	0.600
Research	0	0
Total Drug Resources by Unit/Function	\$13.000	\$13.000
Drug Resources Personnel Summary		
Total FTEs (direct only)	56	56
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$5.5	\$5.4
Drug Resources Percentage	0.2%	0.2%

Note: Pending final budget formulation as of February 1, 2022.

Management Assertions

Timeliness of Summer Budget Submission

The summer drug budget was submitted to the Office of National Drug Control Policy on August 3, 2021, by the U.S. Department of Agriculture on behalf of the Forest Service.

Funding Levels Represent Bureau Level Request

The funding request for law enforcement operations in the submittal was the same level as the request. The salary and expense portion of the request is generally the same level as requested. Due to the Forest Service's new budget structure, the current approved budget methodology for determining proposed drug control funding requires an estimate of proposed funding.

Detailed Accounting Report

Drug Control Budget Summary Table

Drug Resources by Decision Unit and Function	Budget Authority (in millions)		
Decision Unit- LE Agency Support	FY 2020	*FY 2021*	FY 2021
Intelligence: Domestic Law Enforcement	0.200	0.100	0.100
Investigations	12.000	12.000	7.400
Prosecution	0.200	0.200	0.100
State and Local Assistance	0.600	0.600	0.400
Research: Domestic Law Enforcement	0	0.100	0.100
Total Drug Resources by Unit/Function	\$13.000	\$13.000	\$8.100
		<i>*Old Budget Methodology*</i>	
Drug Resources Personnel Summary			
Total FTEs (direct only)	56	56	56
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$5.5	\$5.4	\$5.4
Drug Resources Percentage	0.2%	0.2%	0.2%

Program Summary

MISSION

The mission of the Forest Service is to sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations. In support of this mission, the Forest Service Law Enforcement and Investigations (LEI) program's basic mission is to provide public and employee safety, resource protection, enforcement of U.S. Criminal Law, and enforcement expertise to other agency managers. The Forest Service manages 193 million acres in 44 States, the Virgin Islands, and Puerto Rico, encompassing 154 national forests and 20 national grasslands. Most of this land is in rural areas of the United States.

Three drug enforcement issues are of specific concern to the Forest Service LEI program: marijuana cultivation, methamphetamine production, and smuggling across international borders. These activities increase health and safety risks to the visiting public, employees, and the continued viability of the Nation's natural resources.

METHODOLOGY

The Forest Service budget structure includes an LEI budget line item within the National Forest System (NFS) appropriation for law enforcement operations discretionary funding. The NFS appropriation also includes a single budget line item for Salary and Expenses funding for all NFS staff. The law enforcement operations funding and the NFS Salary and Expenses funding identified for law enforcement staff in combination serve as the total LEI budget allocation. Within the total LEI budget allocation, funds identified for drug enforcement activities are estimated based on an analysis of the total workload. The analysis derives a percentage of the work LEI staff perform on drug related activities as a portion of total work on all law enforcement duties and responsibilities related to the mission of the Forest Service. The resulting drug percentage then derives drug funding as a portion of total LEI funding and serves as the LEI drug control funding level. For future year budget allocation projections, the drug percentage used is a rolling average of the five previous full performance years (FY 2016-FY 2020) where complete data is available.

Methodology Modifications

The new Forest Service budget structure removes "overhead" and other administrative costs from the combined total allocation for Law Enforcement Operations resulting in a lower allocation in drug control funding in FY 2021

utilizing our budget methodology. Although the drug control funding allocation is decreased, the Forest Service efforts in this area remain similar to previous years and the perceived funding decrease is not a decrease in expected operational activities in support of the Strategy.

Material Weakness of Findings

There were no material weaknesses or findings and funding and spending estimates are consistent with the drug/funding methodology established.

Reprogramming or Transfers

LEI is a budget line item within the National Forest System appropriation. Funds allocated for drug enforcement activities are apportioned on an as needed basis based on an evolving analysis of the workload. As such, no reprogramming or transfers were made.

Other Disclosures

LEI is a small directorate within a larger complex land management agency that comprises approximately 2 percent of the agency's overall budget. The Forest Service commits approximately \$8.1 million for drug control and enforcement activities. LEI currently has approximately 600 personnel actively engaged in drug control, eradication, investigation and interdiction in addition to normal mission activities and any further accounting would be overly burdensome on our limited resources.

BUDGET

The FY 2021 was \$8.1 million and similar to the FY 2020 funding level when utilizing the new allocation structure.

Law Enforcement Agency Support

Forest Service drug-related activities are directed to mitigate threats to the forest, visitors, and employees. LEI accomplishes this mission by detecting, investigating, eradicating and targeting enforcement measures that provide the greatest impact based on resource availability. Since Transnational Criminal Organizations (TCO) conduct the vast majority of marijuana cultivation on National Forest System lands, LEI partners with other Federal, State and local cooperators to investigate, disrupt, and dismantle these organizations. LEI continues to partner with the U.S. Department of Justice through local U.S. Attorney's Offices to coordinate and support prosecutorial efforts. Additionally, LEI continues to partner with the Office of National Drug Control Policy and various High Intensity Drug Trafficking Area (HIDTA) programs to efficiently combat illicit drug production on National Forest System lands and participates in Organized Crime Drug Enforcement Task Force (OCDETF) investigations through assigned personnel. The Forest Service also continues to work with our Federal partners to reduce cross-border smuggling activities on National Forest System lands to ensure the safety and security of the visiting public and employees on those lands contiguous with the international border.

Over the past five years an alarming trend has developed in TCO marijuana cultivation operations. These organizations are smuggling into the United States banned and or restricted pesticides for use in their marijuana growing operations. This trend was observed initially as occurring in a few sparse marijuana grow sites where LEI personnel would infrequently discover small quantities of these banned or restricted substances. As of 2019, these hazardous materials are ubiquitous in marijuana grow sites within California and are beginning to be discovered on public lands outside of California as well.

As these hazardous materials became more prevalent in marijuana growing operations, LEI began a concentrated effort to rehabilitate and recover these sites. LEI will further concentrate on the reclamation of these sites by engaging in targeted reclamation and rehabilitation based on resource availability.

Management Assertions

Obligations by Budget Decision Unit

LEI believes, based on a review of the data submitted in this report, that obligations reported by budget decision unit are the actual obligations and expenditures depicted in the table on page two. The obligations are consistent with the

approved drug methodology on budget formulation and represent best estimates of planned and or actual expenditures.

Drug Methodology

The approved methodology utilized to create this report is reasonable and believed to be as accurate as is possible based on the following:

Data derived from the legacy Law Enforcement Investigation Management Attainment Reporting System (LEIMARS) and the new Law Enforcement Investigations Reporting System (LEIRS) is the best source of statistical data currently available to the Forest Service. Data derived from this system along with field reporting is utilized to assess and distribute law enforcement resources as efficiently as is practical. Law enforcement activity, including drug control and enforcement, is a constantly evolving situation requiring significant flexibility.

Financial Systems LEI tracks as accurately as is possible expenditures and believes that the appropriations and expenditures reflected in the table are as accurate as is possible based on LEI's review and availability of resources. The expenditures represented in the tables are all consistent with the approved drug methodology.

Methodology The methodology described in this report is the same methodology used to derive funding levels.

Methodology Modifications LEI did not make any modifications to methodology for reporting drug control resources from the previous year's reporting. However, the new budget structure allocation for the Forest Service presents a modification to the level of funding as presented in the tables.

Material Weakness or Findings There were no material weaknesses or other findings. The agency annual audit assurance review did not uncover any material weaknesses or findings in agency financial or reporting systems.

Reprogramming or Transfers No reprogramming or transfers were made.

Fund Control LEI believes that the data presented are associated with obligations against a financial plan that complies with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution. The funding estimates and expenditures are consistent with the approved drug methodology and budget formulation.

ONDCP Circular: National Drug Control Program Agency Compliance Review. An agency or bureau included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may submit Alternative Budget Formulation Compliance, Detailed Accounting, and Performance Summary reports. Due to the Forest Service's total allocation of \$8.1 million, a more in-depth analysis beyond this document creates an unreasonable burden and the Forest Service submits this alternate report and analysis.

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TRACY S. PERRY
Director
U.S. Forest Service
Law Enforcement and Investigations

January 28, 2022

Date

DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT MISSION AREA
PERFORMANCE SUMMARY AND ACCOUNTING REPORT

Summer Budget Formulation Information

Summer Drug Budget Transmittal

The summer budget was submitted to ONDCP on August 3, 2021.

Summer Drug Budget Resources Summary Table

	Budget Authority (Dollars in Millions)		
	FY 2020 Actual	FY 2021 Enacted	FY 2022 Budget
Drug Resources by Function			
Treatment	\$21.28	\$11.40	\$11.40
Total Drug Resources by Function	\$21.28	\$11.40	\$11.40
Drug Resources by Decision Unit			
Distance Learning and Telemedicine Program	\$21.28	\$11.40	\$11.40
Total Drug Resources by Decision Unit	\$21.28	\$11.40	\$11.40
Drug Resources Personnel Summary			
Total FTEs (direct only)	NA	NA	NA
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$39.30	\$40.49	\$48.61
Drug Resources Percentage	0.05%	0.03%	0.02%

Management Assertions.

Timeliness of Summer Budget Submission – The FY 2023 agency request was submitted to ONDCP on August 3, 2021. The 2022 Rural Development Budget and Performance submission requested funding to support this effort in the 2022 President’s budget. The Rural Development affirms the accuracy of the information contained in the submission.

**DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT MISSION AREA
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(2) **Funding Levels Represent Bureau-Level Request** – The funding request in this submission represents the funding levels by unit in the budget submission made by the agency to the Department without alteration or adjustment by any official at the Department.

Detailed Accounting Report

RD has not received direct appropriations for opioids/substance abuse since FY 2019. Section 6101(a)(1)(A) of the Agriculture Improvement Act of 2018 (“2018 FB”, P.L. 115-334) requires the Secretary to use at least 20 percent of the funding provided for the Distance Learning and Telemedicine program to support substance use disorder treatment services, unless there are not sufficient qualified applicants to reach the 20 percent requirement. In addition, section 6101(a)(1)(B) of the 2018 FB authorized prioritizing the selection of projects for Community Facilities direct loans or grants that will allow states, counties, tribes, and other applicants to prevent and treat opioid abuse and to support people in recovery. The table below shows the actual obligations related to opioids/substance abuse projects.

	Budget Authority (Dollars in Millions)	
	FY 2020 Actual	FY 2021 Actual
Drug Resources by Function		
Treatment	\$21.28	\$21.30
Total Drug Resources by Function	\$21.28	\$21.30
Drug Resources by Decision Unit		
Distance Learning and Telemedicine Program	\$21.28	\$21.30
Total Drug Resources by Decision Unit	\$21.28	\$21.30
Drug Resources Personnel Summary		
Total FTEs (direct only)	NA	NA
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$39.30	\$40.49
Drug Resources Percentage	0.05%	0.05%

Mission

The mission of USDA’s Office of Rural Development (RD) is to facilitate rural prosperity and economic development and to deliver programs efficiently, effectively, with integrity, and with a focus on customer service. RD programs are administered through the following three services:

1. Rural Business-Cooperative Service (RBS):

Seventeen RBS programs provide loans, grants, and loan guarantees for purposes that include, but are not limited to: supporting business growth and development, improving



DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT MISSION AREA PERFORMANCE SUMMARY AND ACCOUNTING REPORT

the effectiveness of programs servicing cooperatives, and assisting with creating wealth and supporting rural America.

2. **Rural Housing Service (RHS):**

Eighteen RHS programs provide loans, grants, and loan guarantees for purposes that include, but are not limited to: building or improving essential community facilities, providing affordable rental housing for very-low to moderate-income residents, and enabling low- and moderate-income applicants to purchase their own homes.

3. **Rural Utilities Service (RUS):**

Twenty-five RUS programs provide loans, grants, and loan guarantees for purposes that include, but are not limited to, developing or improving infrastructure such as solid waste and storm drainage facilities, maintenance, expansion, and modernization of rural electric infrastructure, and establishing or improving rural Broadband connectivity.

Background

The Department has been called upon by the Administration to help carry out its efforts to reduce the abuse and misuse of opioids in rural America, to expand the availability of quality treatment services, and to bring rural partners together to tackle the Nation's opioid epidemic. The Department's Rural Development mission area has been and continues to be a partner in this effort by using five of its programs to fund opioid-related projects in rural areas of America.

Those programs are:

1. **RHS: Community Facilities (CF) Program**: Provides funding to construct, expand, or improve essential community facilities such as, but not limited to: hospitals, medical clinics, fire and rescue stations, public buildings, and other community-based initiatives.
2. **RUS: Distance Learning and Telemedicine (DLT) Program**: Funds are provided to help rural communities overcome the effects of remoteness and low population density by linking teachers and medical service providers in one area to students and patients in another.
3. **RUS: DLT Opioid Epidemic**: Funds are provided to help strengthen local capacity to address opioid prevention, treatment, and recovery. In the Consolidated Appropriations Act of 2019, ([Pub. L. 116-6, §761](#)), Congress appropriated \$16 million "...to remain available until expended, for an additional amount for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C 950aaa et seq., to help address the opioid epidemic in rural America..."
4. **RUS: Solid Waste Management Grant Program (SWMGP)**: This program reduces or eliminates pollution of water resources by providing funding for organizations that provide technical assistance or training to improve the planning and management of solid waste sites.
5. **RHS/CF: Tribal College Initiative Grants**: This program provides funding to 1994 Land Grant Institutions (Tribal Colleges) for infrastructure improvements, development of essential community facilities, and to purchase equipment. Eligible projects include, but are not limited to, education and cultural projects and education equipment.

The RD Mission Area may fund opioid/substance abuse projects with funding from other programs.



DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT MISSION AREA
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Unreasonable Burden Exception

The Rural Development Chief Financial Officer is requesting an unreasonable burden exception. Rural Development does not receive an annual appropriation for Drug Control programs. RD is attesting that full compliance with this ONDCP Circular; National Drug Control Program Agency Compliance Reviews would constitute an unreasonable reporting burden. RD prior year obligations are less than \$50 million.

Jeffrey S. Machelski
Associate CFO – Budget and Policy

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Detailed Accounting Report: Assertions

(1) Obligations by Budget Decision Unit – The account information has been collected through the Rural Development Financial system. The 2018 FB set aside 20 percent from the discretionary appropriations for the Distance Learning and Telemedicine grant account funding for substance use disorder. Annually, the RD financial system sets aside these funds unless and until the exception in section 6101(a)(1)(A)(ii) is triggered. Rural Development did not receive any direct funding for this purpose in the FY 2021 annual appropriations.

(2) Drug Methodology –The drug methodology agreed with ONDCP was applied. The 2018 FB authorizes the Secretary to use 20 percent of the funding provided for the Distance Learning and Telemedicine program to support substance use disorder treatment services. In addition, the 2018 FB authorized prioritizing the selection of projects for Community Facilities direct loans or grants that will allow states, counties, tribes, and other applicants to prevent and treat opioid abuse and to support people in recovery. The 2018 FB provides authority for setting priority points to applicants who intend to provide substance use disorder prevention services, treatment services, and/or recovery services with their projects and employ staff that have appropriate expertise and training in how to identify and treat individuals with substance use disorders.

(a) Data – The funding set aside made available by the 2018 FB is set in the accounting system by using funding codes that the program staff uses. The methodology described above is based on these funding codes defining the nature of the funding set aside and the obligations incurred against it.

(b) Financial Systems – The methodology shown above describes the relationship of decision units reported to ONDCP and the programs/activities as reported in the financial system. These data represent the obligations related to the 2018 FB 20 percent set aside.

(3) Application of Drug Methodology- The drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by section 7.a.(1). Calculations are well documented to independently reproduce these data. Also, calculations provide a means to ensure consistency of data between reporting years.



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(4) **Material Weaknesses or Other Findings** – There are no material weakness or other findings. Rural Development has not completed A-123 or internal compliance review on this specific program, but the budget and obligations would be included in the overall testing of the budget authority and obligations if the program(s) were sampled.

(5) **Methodology Modifications** – There was no modification to the methodology from the prior year.

(6) **Reprogramming or Transfers** – There were no reprogramming or transfers affecting this funding.

(7) **Fund Control Notices:** RD believes that the data presented are associated with obligations against a financial plan that complies with all Fund Control Notices issued by the Director under 21 U.S.C. §1703(f) and Section 9 of the ONDCP Circular, Budget Execution. The funding estimates and expenditures are consistent with the approved drug methodology and budget formulation.

Jeffrey S. Machelski
Associate CFO – Budget and Policy

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Program performance/data

Information regarding the performance/target of the drug control efforts of the RD mission area is based on agency GPRMA documents and other information that measure the agency’s contribution to this effort. In FY 2018, the annual appropriation provided funding in the Distance Learning and Telemedicine program account in support of the Opioids crisis. Since then, RD has not received dedicated funding for this effort in the annual appropriations.

Methodology

Section 6101(a)(1)(A) of the Agriculture Improvement Act of 2018 (“2018 FB”, P.L. 115-334) requires the Secretary to use at least 20 percent of the funding provided for the Distance Learning and Telemedicine program to support substance use disorder treatment services, unless there are not sufficient qualified applicants to reach the 20 percent requirement. In addition, the 2018 FB authorized prioritizing the selection of projects for Community Facilities direct loans or grants that will allow states, counties, tribes, and other applicants to prevent and treat opioid abuse and to support people in recovery. The 2018 FB provides authority to award priority points to applicants who intend to provide substance use disorder prevention services, treatment services, and/or recovery services with their projects and employ staff that have appropriate expertise and training in how to identify and treat individuals with substance use disorders.

The table below provides data on the obligations attributed to projects that support the treatment and/or prevention of OUD in prior year, and the target for the current year. RD has not developed performance measures specifically for drug control efforts. RD tracks the



**DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT MISSION AREA
PERFORMANCE SUMMARY AND ACCOUNTING REPORT**

number of applications funded in prior years and the estimated available funding in the current year to create the target.

Selected Measures of Program Targets (Dollars in Millions)

Selected targets	FY2018 Achieved	FY2019 Achieved	FY2020 Achieved	FY2021 Achieved	FY2022 Target
DLT-Funded projects that supported treatment and/or prevention of OUD	35	51	21.3	21.3	40

Performance Summary Report: Assertions

(1) **Performance reporting system is appropriate and applied** – Rural Development uses the financial system for reporting obligations. Information regarding the number of grants provided as they related to the drug control RD efforts is based on agency GPRMA documents and other information that measure the agency’s contribution to the *Strategy*. FY 2018 was the first year that Rural Development received appropriations in support of the Opioids crisis, and only for the Distance Learning and Telemedicine grant program. RD has not developed performance specifically for drug control efforts. Targets are set based on the number of applications that were funded in the prior year and the estimated available funding for the upcoming year.

(2) **Explanations for not meeting performance targets are reasonable** – RD met the target for the Distance Learning and telemedicine (DLT) program, which is the only program with a statutory set aside for substance use disorder.

(3) **Methodology to establish performance targets is reasonable and consistently applied** – Setting the target is consistently applied for the DLT program.

(4) **Adequate performance measures exist for all significant drug control activities:** RD DLT program is the only program with a statutory set aside to support this effort. Targets are set up based on prior obligations and availability of funding. The 2018 FB established the requirement that 20 percent of the funding made available for the DLT program through the annual appropriations will be set aside in support of substance use disorder. Annual appropriations has not provided direct funding for this effort.

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Associate CFO – Budget and Policy

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Tab B



AmeriCorps

ONDCP AmeriCorps Compliance Review

February 15, 2022



6.a. Summer Budget Formulation Information

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6.a.1. Summer Drug Budget Transmittal

The AmeriCorps summer budget was submitted to ONDCP on July 9, 2021.

6.a.2. Summer Drug Budget Resource Summary Table

The below table is a copy of the summer budget funding table submitted to ONDCP on July 9, 2021.

	Budget Authority (in millions) ¹	
	FY 2020 Actual	FY 2021 Enacted
Drug Resources by Function²		
Prevention	\$7.52	\$7.52
Treatment ³	\$3.44	\$3.44
Recovery	\$3.34	\$3.34
State & Local and Tribal Law Enforcement Assistance	\$0.26	\$0.26
Total Funding by Function	\$14.55	\$14.55
Drug Resources by Decision Unit		
AmeriCorps State & National	\$6.81	\$6.81
AmeriCorps Seniors	\$0.40	\$0.40
AmeriCorps VISTA	\$7.35	\$7.35
Total Funding by Decision Unit	\$14.55	\$14.55

¹ Resources reflect AmeriCorps federal grant and project funding for opioid and substance prevention, treatment, and recovery activities through AmeriCorps programs, not a line-item appropriation. Amounts do not include Segal AmeriCorps Education Awards for AmeriCorps members who complete service or the match funding and in-kind donations made by non-AmeriCorps sources to support national service programs engaged in drug control activities.

² Some projects conduct activities across multiple functions (treatment and recovery, for example); where multiple functions appeared to be of equal importance for the project, federal funding was split evenly among them. Otherwise funding was allocated to the function that appeared to be the primary focus of the project.

³ Activities included under Treatment are primarily activities that expand access to drug treatment, not treatment itself, including providing screenings and referrals to treatment and recovery services, raising awareness about treatment availability, raising funds for organizations offering treatment, connecting individuals with addiction to services, and assessing treatment needs of underserved areas in order to develop more treatment options.

6.b.Assertions

6.b.1.Timeliness of Summer Budget Submission

AmeriCorps does not have a line item appropriation or standalone budget for opioid and substance prevention. Rather, the "FY 2021 Enacted" and "FY 2022 Request" columns in our Summer Budget table are projections of how much we anticipate investing based on last year's investment. Therefore, this is not applicable.

6.b.2.Funding Levels Represent Bureau-Level Request

AmeriCorps does not make a funding request that is specific to opioid and substance prevention. Rather, the "FY 2021 Enacted" and "FY 2022 Request" columns in our Summer Budget table are projections of how much we anticipate investing based on last year's investment. Therefore, this is not applicable.

7.Detailed Accounting Report

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7.a.Drug Control Funding Obligations

7.a.1.Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

AmeriCorps does not have a line item appropriation or standalone budget for opioid and substance prevention. Rather, the “Enacted” and “Request” columns in our Summer Budget table were projections of how much we anticipated investing based on last year’s investment. The below table displays AmeriCorps’ actual investment for FY 2021.

	FY 2021 Actual (in millions) ¹
Drug Resources by Function^{2 3}	
Prevention	\$18.13
Treatment ⁴	\$10.73
Recovery	\$11.79
State & Local and Tribal Law Enforcement Assistance	\$0.26
Total Funding by Function	\$40.91
Drug Resources by Decision Unit	
AmeriCorps State & National	\$33.23
AmeriCorps Seniors	\$0.52
AmeriCorps VISTA	\$7.15
Total Funding by Decision Unit	\$40.90

¹ Resources reflect AmeriCorps federal grant and project awarded funding for opioid and substance prevention, treatment, and recovery activities through AmeriCorps programs, not a line-item appropriation. Amounts do not include Segal AmeriCorps Education Awards for AmeriCorps members who complete service or the match funding and in-kind donations made by non-AmeriCorps sources to support national service programs engaged in drug control activities.

²The FY 2021 distribution by function is an estimate generated using the percent of AmeriCorps’ investment allocated to each function in FY 2020. AmeriCorps will conduct the time-intensive, manual review of applications, performance measures, and VISTA assignment descriptions every 3-5 years to generate the investment by function. In interim years, we will apply the percentage distribution from the most recent manual review to estimate our investment.

³Some projects conduct activities across multiple functions (treatment and recovery, for example); where multiple functions appeared to be of equal importance for the project, federal funding was split evenly among them. Otherwise funding was allocated to the function that appeared to be the primary focus of the project.

⁴ Activities included under Treatment are primarily activities that expand access to drug treatment, not treatment itself, including providing screenings and referrals to treatment and recovery services, raising awareness about treatment availability, raising funds for organizations offering treatment, connecting individuals with addiction to services, and assessing treatment needs of underserved areas in order to develop more treatment options.

7.a.2. Drug Methodology

AmeriCorps has prioritized opioids and substance abuse reduction in grant competitions and program guidance and has substantially increased its investments in such projects beginning in FY 2017. AmeriCorps tracks data on opioids and substance abuse programming by reviewing funding priority selections, grant program objectives, and national service activities. The funding reported here represents federal grant and program dollars associated with projects in which some or all of their national service participants are explicitly focused on opioid or substance abuse activities. Amounts do not include Segal AmeriCorps Education Awards for AmeriCorps members who complete a term of national service, or the significant amounts of match funding and in-kind donations made by corporations, foundations, and other local entities to support national service programs.

AmeriCorps State & National

For AmeriCorps State and National, funding includes projects for which some or all AmeriCorps members are explicitly focused on opioid or substance abuse activities. These projects were identified through a review of projects that applied for funding under the Priority Area for "Healthy Futures – Reducing and/or Preventing Prescription Drug and Opioid Abuse," and/or who identified "Opioid/Drug Intervention" as one of their service activities. Dollar figures include full federal funding for projects focused solely on opioids and substance abuse activities; pro-rated federal funding amounts for projects in which a subset of members are focused on drug activities; and full federal funding for planning grants focused on opioids and substance abuse.

The AmeriCorps State and National FY 2021 opioid investment includes the total federal dollars awarded to the following AmeriCorps State and National grantees in FY 2021:

- 1) Awarded grantees or subgrantees for which AmeriCorps reviewers marked the priority area "Healthy Futures – a program model that reduces and/or prevents prescription drug and opioid abuse" on the review form, indicating that

addressing the opioid epidemic was a significant and intentional aspect of the program design. This includes competitive grantees/subgrantees and also a handful of formula subgrantees who were originally reviewed for competitive consideration.

- 2) Awarded formula subgrantees (other than those originally reviewed for competitive consideration) who self-selected the priority area “Healthy Futures – a program model that reduces and/or prevents prescription drug and opioid abuse” on their grant applications (which they were instructed to do if this priority was a significant part of the proposed program) AND had the following characteristic:
 - a. designated an intervention in the Healthy Futures focus area as their primary service activity

The report counts partial federal dollars awarded to the following AmeriCorps State and National grantees in FY21:1,

- 3) Grantees or subgrantees (competitive and formula) that are NOT included in (1) or (2) above and that selected the intervention “Opioid/Drug Intervention” for one or more performance measures. The report counts the Member Service Years (MSYs) associated with those performance measure(s) multiplied by the project cost/MSY.

AmeriCorps VISTA

For AmeriCorps VISTA, investment was estimated from FY 2021 full-year and summer service terms focused partially or entirely on opioid-related activities. Terms were included in the investment if their associated VISTA Assignment Descriptions contain opioid key words in their title, site name, project goals and objectives, and/or activity description. Because we did not do the full manual review this year, we used the percentage distribution of our investment by function from FY 2020 to estimate the distribution of investment by function for FY 2021.

AmeriCorps Seniors

For AmeriCorps Seniors, FY 2021 project performance measures were queried to identify those that have volunteer activities explicitly focused on opioid/drug intervention. The full AmeriCorps investment is reported to ONDCP for projects fully focused on opioids/drug intervention activities, and pro-rated investments are reported for projects with a partial focus on opioid/drug intervention. In each case, the investment is calculated in two steps. First, we determined the percent of each project’s unduplicated Volunteer Service Years (VSYs) or volunteers associated with performance

measures that contain the “opioid/drug intervention” service activity. Next, that value is multiplied against the project's total awarded federal funding to get the portion of the investment associated with opioid/drug intervention activities. VSYs are used for the AmeriCorps Seniors Foster Grandparent and Senior Companion programs. Volunteers are used for the AmeriCorps Seniors RSVP program.

Because we did not complete a full manual review of applications and performance measures for AmeriCorps Seniors in FY 2021, we calculated the breakout of AmeriCorps Seniors' FY 2021 investment by function using the percentage distribution from the most recent manual review (FY 2020).

7.a.3. Methodology Modifications

AmeriCorps State & National

The compliance review guidance provided by the Office of National Drug Control Policy (ONDCP) asks for more stringent data validations, including that, “Calculations must be sufficiently well documented to independently reproduce this data.” Manual reviews of executive summaries and application content is inherently not reproducible since different reviewers may assess the same narrative content differently. As a result, we have changed the methodology for the ONDCP funding report for FY 2021 to use only objective data in selecting the projects included in the report. To mitigate for potential data quality concerns in the formula portfolio, a two-factor assessment is used to ensure that the designated application priority aligns with the focus area of the application.

While the updated process increases the reproducibility of our investment calculations, it does not allow for a breakout of our investment by function. Therefore, to allocate funding by function, we will do a manual review of applications on a pre-determined schedule (every 3-5 years was discussed on a recent phone call with ONDCP) to determine the breakout by function. In interim years, we will apply this percentage distribution to our calculated investment in order to estimate its breakout by function.

The updated methodology impacts our investment level and our ability to break out the investment by function. Regarding our investment level, the new methodology yields a higher investment. This is because we are now reporting our investment for all projects that selected the opioid funding priority in their applications and otherwise meet the above criteria. Regarding our funding breakout by function, since we did not complete a manual review of executive summaries and application content for FY 2021, we are using the average distribution by function from our FY 2020 opioid investment to estimate our FY 2021 investment by function.

AmeriCorps VISTA

In the past, AmeriCorps data analysts conducted a manual review of several hundred individual AmeriCorps VISTA member assignment descriptions (VADs) in order to determine their opioid focus and break out our investment by function. In reviewing the ONDCP Compliance Review guidance, we believe this method is not sufficiently reproducible to carry forward. Therefore, we have shifted to an opioid/substance abuse keyword search of AmeriCorps VADs to calculate our FY 2021 AmeriCorps VISTA investment.

While the updated process increases the reproducibility of our investment calculations, it does not allow for a breakout of our investment by function. Therefore, to allocate funding by function, we will do a manual review of VADs on a pre-determined schedule (every 3-5 years was discussed on a recent phone call with ONDCP) to determine the breakout by function. In interim years, we will apply this percentage distribution to our calculated investment to estimate its breakout by function.

Regarding the impact of the methodology change on our investment level: Since we did not complete a manual review of VISTA Assignment Descriptions (VADs) for FY 2021, we are unable to provide a table that compares the results of the new and previous methodologies. In FY 2020, we ultimately excluded VADs associated with 2% of VISTA participants (13 of 592 participants) for having an insufficient focus on opioids, despite having opioid keywords in their VADs. This equated to \$228,501 in funding.

Regarding the impact of the methodology change on our breakout by function: Going forward, rather than manually reviewing VADs every year, we will do a manual review on a pre-determined schedule (every 3-5 years was discussed on a recent phone call with ONDCP) to determine the breakout by function. In interim years, we will apply the percentage distribution from the most recent manual review to estimate our investment.

AmeriCorps Seniors

The compliance review guidance provided by the Office of National Drug Control Policy (ONDCP) is asking for more stringent data validations, including that, "Calculations must be sufficiently well documented to independently reproduce this data." In the past, staff reviewed AmeriCorps Seniors executive summaries, application narratives, and performance measure descriptions in order to determine the inclusion of each project in our opioid investment and also to determine which function it should fall under. This is inherently not reproducible since different reviewers may assess the

same narrative content differently. As a result, we have changed the methodology for the ONDCP funding report for FY21 to use only objective data in selecting the projects included in the report.

Additionally, in the past we did not include partial investments for AmeriCorps Seniors RSVP projects that were not fully focused on opioids. This decision was made because, as opposed to the AmeriCorps Seniors Foster Grandparent and Senior Companion programs, we do not have FTE equivalents for RSVP volunteers. However, given the number of RSVP programs that actively support opioid/drug interventions, this resulted in an undercount of our investment. This year, we are proposing including a partial investment for RSVP projects that carry out some opioid/drug intervention activities. The calculation for that investment is described in the methodology section above.

The adjustment to forgo manual reviews of executive summaries, application narratives, and performance measure descriptions in order to make our data more reproducible means that we will no longer include investments associated with projects that conduct activities in the opioid space but that do not select the "opioid/drug intervention" service activity in their performance measures.

If it had been implemented in FY 2020, this would have reduced our reported investment by \$208,336. This value represents \$108,836 associated with an AmeriCorps Seniors Senior Companion project that conducted opioid overdose prevention activities but did not select "opioid/drug intervention" as a service activity, and \$107,500 associated with an RSVP project that was fully focused on opioids but that did not select the "opioid/drug intervention" service activity for a performance measure that was clearly opioid-focused.

The adjustment to include AmeriCorps RSVP projects that are not fully focused on opioids increases our FY 2021 investment by \$499,756.

The adjustment to forgo manual reviews also impacts our ability to report our actual distribution of resources by function each year. Instead, we will do a manual review on a pre-determined schedule (every 3-5 years was discussed on a recent phone call with ONDCP) to determine the breakout by function. In interim years, we will apply the percentage distribution from the most recent manual review to estimate our investment.

7.a.4. Material Weaknesses or Other Findings

Although AmeriCorps is not aware of any specific material weakness that would directly affect the agency's presentation, attached below is a link to the most recent AmeriCorps Financial Statements Audit:

[FY21 AmeriCorps Agency Management Report](#) (pg. 27)

7.a.5. Reprogrammings or Transfers

AmeriCorps does not track reprogrammings or transfers for drug-related programming.

7.a.6. Other Disclosures

No other disclosures.

7.b. Assertions

7.b.1. Obligations by Budget Decision Unit

AmeriCorps has provided award data from its grants system in order to identify drug-related programming. Awards are posted in the agency's accounting system of record as obligations. However, the agency's accounting system of record does not record information sufficient to accurately estimate specific grant policy focus (e.g., opioid programming).

7.b.2. Drug Methodology

AmeriCorps has provided award data from its grants system in order to identify drug-related programming. Awards are posted in the agency's accounting system of record as obligations. However, the agency's accounting system of record does not record information sufficient to accurately estimate specific grant policy focus (e.g., opioid programming).

7.b.3. Application of Drug Methodology

The methodology described in Section 7.a.(2) is the actual methodology used to generate the table in 7.a.(1). AmeriCorps changed our methodology in FY 2021 to make the results more independently reproducible. This change will also ensure greater consistency of data between reporting years.

7.b.4. Material Weaknesses or Other findings

Please see response to 7.a.4.

7.b.5. Methodology Modifications

AmeriCorps made several changes to our methodology in order to increase its reproducibility and reduce the number of manual reviews of applications, performance measures, and VISTA Assignment Descriptions. These changes are described in section 7.a.3. These changes were discussed in meetings with ONDCP representatives on February 11, 2022 and February 14, 2022.

7.b.6. Reprogramming or Transfers

AmeriCorps does not track reprogrammings or transfers for drug-related programming.

7.b.7. Fund Control Notices

Not applicable.

8. Inspector General Authentication

AmeriCorps had a drug-related investment of less than \$50 million in FY 2021. We are requesting an exemption from the Inspector General Authentication review, as it would constitute an unreasonable reporting burden.

Tab C



| CSOSA

OFFICE OF THE DIRECTOR

February 9, 2022

Jon Rice
Deputy Director, Office of Performance and
Budget Office of National Drug Control
Policy
750 17th Street, NW
Washington, DC 20503

Dear Mr. Rice:

The Court Services and Offender Supervision Agency (CSOSA) is required by Office of National Drug Control Policy (ONDCP) Circular 'National Drug Control Program Agency Compliance Reviews', dated September 9, 2021, to present information and assertions concerning the budget formulation and accounting of funds expended on ONDCP activities.

CSOSA is a relatively small Federal Agency comprised of two components: the Community Supervision Program (CSP) and the Pretrial Services Agency for the District of Columbia (PSA). CSOSA plays a unique, front-line role in the day-to-day public safety of everyone who lives, visits or works in the District of Columbia. CSP is responsible for supervision of offenders on probation, parole or supervised release, as well as monitoring Civil Protection Orders and deferred sentencing agreements; PSA is responsible for supervising pretrial defendants. CSOSA appropriated resources support ONDCP Prevention and Treatment drug control functions through our offender and defendant drug testing and substance abuse treatment activities.

The purpose of this report is to present CSP and PSA assertions concerning FY 2021 drug resource budgeting, accounting and my qualified authentication of these assertions. CSOSA does not have an Inspector General (IG) component or function to review and express a conclusion on the reliability of the accounting and performance assertions made in this report. Therefore, CSOSA requests a waiver for the IG authentication requirements outlined in the Circular.

To the best of my knowledge the budget formulation, accounting and performance assertions presented by CSOSA are accurate and complete.

Sincerely,

**RICHARD
TISCHNER**

Digitally signed by
RICHARD TISCHNER
Date: 2022.02.09
13:47:59 -05'00'

Richard S. Tischner
Director

Enclosures

CSOSA Community Supervision Program Budget and Accounting Submission
Assertions: dated February 8, 2022

CSOSA Pretrial Services Agency for the District of Columbia Budget,
Accounting and Performance Reporting Submission / Assertions; dated February
8, 2022

February 8, 2022

Jon Rice
Deputy Director, Office of Performance and
Budget Office of National Drug Control
Policy
750 17th Street, NW
Washington, DC 20503

Dear Mr. Rice:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, I make the following assertions regarding budget formulation and accounting and budget formulation for the Court Services and Offender Supervision Agency's (CSOSA's) Community Supervision Program (CSP). CSP is one of two programs (Decision Units) within the CSOSA appropriation.

Detailed Accounting Report

Drug Control Obligations by Decision Unit and Function:

I assert that FY 2021 drug budget obligations to be reported by CSP to ONDCP as part of CSOSA's forthcoming FY 2023 Budget and Performance Summary are derived from actual obligations from CSP's accounting system of record (Oracle Federal Financials), consistent with the drug budget methodology discussed below.

FY 2023 Drug Budget Summary (FY 2021 Actual Resources)

	FY 2021 Actual
Community Supervision Program	
Prevention	\$8.614
Treatment	\$32.349
SUB-TOTAL	\$40.963

Drug Control Methodology:

The CSOSA appropriation does not have specific line items or programs for drug control activities. CSP's offender drug testing and treatment support activities correlate with ONDCP's Prevention and Treatment functions, respectively.

CSP allocates appropriated resources to each of the four (4) Strategic Goals contained in the Agency's FY 2018-2022 Strategic Plan. Resources are allocated using actual and planned obligations posted to specific accounting parameters in the Agency's financial management system, Oracle Federal Financials. Resources are allocated to each Strategic Goal using a cost allocation methodology including both direct (e.g., direct staff, direct contracts) and indirect (e.g., rent, management) methods. Indirect resources are allocated based on direct labor.

CSP's Drug Budget methodology (effective with the FY 2021 budget cycle) determines Drug Prevention and Treatment resources by allocating portions of Strategic Goal 1 (Reduce Recidivism) and Strategic Goal 3 (Accountability) resources. Strategic Goals 1 and 3 contain offender assessment, compliance and intervention resources that support CSP's Drug Budget functions as outlined below:

Strategic Goal 1: Reduce Recidivism By Targeting Criminogenic Risk and Needs Using Innovative and Evidence-Based Strategies.

Strategic Objective 1.1: Assess offender risk and needs using valid and reliable instruments.

Strategic Objective 1.2: Address offenders' criminogenic needs through evidence-based interventions.

Strategic Goal 3: Strengthen and Promote Accountability by Ensuring Offender Compliance and Cultivating a Culture of Continuous Measurement and Improvement.

Strategic Objective 3.1: Promote offender compliance on supervision by informing of them of release conditions, holding them accountable for noncompliance and incentivizing consistently compliant behavior.

Strategic Objective 3.2: Offenders are supervised at the proper level and receive appropriate interventions.

Strategic Objective 3.3: Ensure interventions for addressing criminogenic need are appropriate and effective.

Strategic Objective 3.4: Offenders fulfill conditions of release, engage in Agency interventions and successfully complete supervision.

Drug Budget Function - Prevention (Drug Testing): 10 percent of CSP resources allocated to Strategic Goal 3 to account for offender Drug Testing (Prevention) resources.

Rationale: CSP estimates that 10 percent of resources allocated to Strategic Goal 3 are related to obtaining and testing offender drug samples.

Drug Budget Function - Treatment: 20 percent of CSP resources allocated to Strategic Goal 1 plus 30 percent of resources allocated to Strategic Goal 3 to account for offender substance abuse Treatment resources.

Rationale:

- CSP estimates that 20 percent of resources allocated to Strategic Goal 1 are related to ensuring the Agency has the appropriate interventions in place to address offender needs, that treatment resources are directed towards the highest-risk offenders, and that offenders demonstrate positive behavioral changes.
- CSP estimates that 30 percent of resources allocated to Strategic Goal 3 are related to offenders receiving interventions for prioritized substance use needs and that offenders remain engaged in substance-abuse treatment programs.

I assert that the drug methodology, financial systems and data used to calculate obligations of prior year (FY 2021) Drug Budget resources by function were reasonable and accurate in accordance with Section 7 of the ONCDP Circular: Budget Formulation. I also assert that the above methodology was actually applied to actual financial data from the Agency's financial system.

Material Weaknesses and Other Findings:

CSOSA received an "unmodified" (clean) opinion on our FY 2021 financial statements by our independent auditing firm Harper, Rains, Knight & Company dated November 15, 2021. The independent auditor identified no material control weaknesses as part of the FY 2021 audit.

Re-programmings or Transfers:

CSOSA's FY 2021 Enacted (P.L. 116-260 dated 12/27/2020) contains re-programming criteria and thresholds. In FY 2021 there were no re-programmings or transfers that met or exceeded those contained in FY 2021 Enacted or affected ONDCP Prevention or Treatment resources.

Fund Control Notices:

CSOSA did not receive a Funds Control Notice from the ONDCP Director for FY 2021 appropriated resources.

Budget Formulation Compliance Report

CSOSA (CSP/PSA) is a small agency without bureaus or sub-components. Therefore, CSP does not typically develop or submit an ONDCP summer drug budget.

I assert that drug budget obligations reported by CSP in the fall drug budget submitted to ONDCP on September 13, 2021 are derived from actual obligations from CSP's accounting system of record (Oracle Federal Financials), consistent with the drug budget methodology discussed above. CSOSA's FY 2023 fall drug budget was submitted to ONDCP on-time. Further, I assert that the fall drug budget resources reported to ONDCP correspond to resources reported to OMB as part of CSP's FY 2023 budget request on September 13, 2021.

CSP Fall Drug Budget (September 13, 2021)

	Budget Authority (in Millions)	
	FY 2021 Estimate	FY 2022 PB
Community Supervision Program		
Prevention	\$8.552	\$9.971
Treatment	\$32.064	\$37.135
SUB-TOTAL	\$40.615	\$47.106

Please let me know if you need additional information.

Sincerely,

PAUL GIRARDO

Digitally signed by PAUL
GIRARDO
Date: 2022.02.08 16:03:22 -05'00'

Paul Girardo
Chief Financial Officer



PRETRIAL SERVICES AGENCY *for the* DISTRICT OF COLUMBIA

OFFICE OF FINANCE AND ADMINISTRATION

February 8, 2022

Jon Rice
Deputy Director, Office of Performance and Budget
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Mr. Rice:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, I make the following assertions regarding the annual accounting of drug control resources and the Performance Summary Report for the Pretrial Services Agency for the District of Columbia (PSA) for fiscal year 2021. Full compliance with this Circular constitutes an unreasonable reporting burden for PSA.

PSA is an independent agency within the Court Services and Offender Supervision Agency (CSOSA) and is one of two programs (Decision Units) within the CSOSA appropriation. PSA has earned a national reputation as a leader in the pretrial justice field. PSA employs proven, evidence-based practices to help judicial officers in the city's local and Federal courts make appropriate and effective bail decisions. The result for the District of Columbia community is smarter use of jail resources, enhanced public safety, and a fairer and more effective system of release and detention.

PSA assists judges in both the Superior Court of the District of Columbia (DC Superior Court) and the United States District Court for the District of Columbia (US District Court) by conducting a risk assessment for every arrested person who is presented in court, identifying detention eligibility and formulating release recommendations, as appropriate. PSA recommendations are based upon the arrestee's demographic information, criminal history, and substance use and/or mental health information. For defendants who are placed on conditional release pending trial, PSA provides supervision and treatment services intended to reasonably assure that defendants return to court and do not engage in criminal activity pending their trial and/or sentencing.

DETAILED ACCOUNTING SUBMISSION

Table of Prior Year Drug Control Obligations

PSA has three offices responsible for its drug control mission:

1. The Office of Pre-Release and Testing (OPRT), Drug Testing Services Team- collects urine and oral fluid specimens from defendants during the diagnostic process and once cases are assigned to PSA for supervision. The team also collects specimens from respondents and juveniles with matters pending in DC Superior Court Family Division; and
2. The Office of Forensic Toxicology Services (OFTS)- operates a comprehensive substance testing program for pretrial defendants, as well as individuals supervised by the Community Supervision Program (CSP) and certain juveniles and respondents with cases in DC Superior Court Family Court; and
3. The Office of Post Release and Supervision, (OPRS), Treatment Unit-provides or coordinates substance use disorder¹ interventions and services.

The CSOSA appropriation does not have specific line items or programs for drug control activities. PSA's drug testing and treatment activities correlate with ONDCP's prevention and treatment drug control functions, respectively. The following table highlights the FY 2021 drug control budgetary resources by drug control function.

	FY 2021 Actuals (in millions)
Drug Resources by Drug Control Function	
Prevention	\$13.297
Treatment	\$6.508
Total Drug Resources by Function	\$19.805
Drug Resources Personnel Summary	
Total FTEs (direct only)	119

Substance use disorders must be addressed to mitigate risk to the personal safety of defendants as well as for the public safety in DC. Drug testing provides vital data used to form judiciary release decisions and PSA supervision approaches. Additionally, drug testing assists in monitoring compliance with court-ordered release conditions, preventing drug use, measuring the success of substance use disorder interventions and services, and predicting future criminality.

PSA responds to drug use by screening defendants for substance use disorder history during the risk assessment screening and interview process, and formulating release recommendations to ensure defendants receive appropriate substance abuse interventions while on pretrial release.

¹ American Psychiatric Association. (2013). *Diagnostic and Statistical Manual of Mental Disorders (DSM-5)*. Substance use disorder in DSM-5 combines DSM-IV categories of substance abuse and substance dependence into a single disorder measured on a continuum from mild to severe. www.dsm5.org.

PSA's **Treatment Unit** is designed for defendants with severe substance use disorders and/or acute mental health treatment needs. The unit specializes in the synchronization of supervision and behavioral health interventions and consists of three teams:

1. Social Services and Assessment- administers assessments to identify defendants' treatment needs and assists Pretrial Services Officers (PSOs) in making appropriate referrals for treatment services;
2. Superior Court Drug Intervention Program better known as Drug Court-provides evidence-based intensive outpatient treatment interventions and incorporates incentives and sanctions to modify behavior. Drug Court operates in concert with the judge, prosecutors, defense counsel, and PSOs; and
3. Specialized Supervision- provides services to defendants with mental health or a combination of substance use disorder, and mental health treatment needs to assist them in meeting pretrial obligations.

This organizational structure facilitates the use of innovative case management, referrals to appropriate treatment, and recovery-focused incentives and sanctions to support the rehabilitative process which leads to better outcomes for defendants.

Drug Methodology

The major cost elements for the drug testing program include labor expenses for OPRT and OFTS staff, recurring expenses for reagents and other laboratory supplies and materials, rent expenses for the OFTS, and the purchase and maintenance of lab equipment. Other overhead and Agency administrative expenses are not included. PSA provides drug testing services for other Federal and non-Federal agencies on a limited reimbursable basis. Revenues from other agencies are netted against gross costs. The major cost elements for the Treatment Program include direct labor expenses and contracted drug treatment services.

The basis for allocating PSA's budgetary resources is derived from PSA's Strategic Plan framework reported in the performance budget. PSA drug control resources are allocated based on percentage of time spent performing activities associated with the following FY 2021 Strategic Goals:

Strategic Goal 1: Judicial Concurrence with PSA Recommendations. Rate at which judicial officers impose release conditions consistent with PSA's recommendations at initial appearance.

Strategic Goal 2: Continued Pretrial Release: Percentage of defendants on pretrial release who remain on release for the duration of the pretrial period.

Strategic Goal 3: Minimize Rearrest. Percentage of supervised defendants who are not arrested for a new, papered offense during the pretrial period.

Strategic Goal 4: Maximize Court Appearance. Percentage of defendants on pretrial release who make all scheduled court appearances during the pendency of their cases.

Material Weaknesses or Other Findings

CSOSA received an unmodified (clean) opinion on the FY 2021 financial statements.

Assertions

The obligations reported are the actual obligations from the Agency's accounting system of record consistent with the methodology discussed above.

The drug methodology used to calculate FY 2021 obligations is reasonable and accurate.

PERFORMANCE SUMMARY REPORT

Performance Reporting

Drug use is a proven contributor to pretrial misconduct. However, for example, in FY 2021, arrest rates for non-drug-users were higher than for drug-users (11% vs. 8%). Defendants with substance use disorders pose even greater risk of criminality. Targeting drug-use reduction has been a successful strategy in minimizing risk within this population.

In response to the President's priorities to address drug addiction and opioid abuse, PSA studied the trends in fentanyl use among the DC criminal justice population over the past few years. Universal testing of fentanyl, and other opioids, will provide data that can be used for future decisions on how to curb the use of these drugs in the general population, provide appropriate treatment protocols for the supervised population, help keep the community safe, and show a responsible effort in rising to the nation-wide call to abate opioid abuse.

PSA successfully implemented fentanyl testing, despite the disruption of normal laboratory operations. Starting in May 2021, all urine specimens submitted by pretrial defendants are routinely screened for fentanyl. As a result, information on fentanyl use has now been incorporated into judicial decision-making, supporting the nationwide response to the opioid crisis.

PSA also ensured continued treatment access during the COVID-19 pandemic. PSA worked with its contract-funded treatment vendors to develop virtual services using remote platforms such as Zoom. In March 2021, PSA's substance use disorder treatment vendors began offering virtual group services at the same level as pre-pandemic in-person offerings to defendants participating in Drug Court and sanction-based treatment. In September 2021, PSA expanded offering substance use disorder assessments to high-risk defendants under PSA supervision and plans to continue expanding these services to identify other defendants under supervision with substance use disorder treatment needs and to assist PSOs in making appropriate referrals for treatment services.

FY 2021 Metric and Actual Performance Results:

Drug-Related Agency Performance Indicators							
Performance Indicator Area	Indicator Description	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021² Actual	FY 2019-2023 Target
Strategic Objective 3.2.1	Substance Use Disorder Assessments	93%	91%	96%	95%*	N/A	95%
Strategic Objective 3.2.2	Placement into Substance Use Disorder Treatment	53%	55%	50%	33%*	N/A	50%
Strategic Objective 3.2.3	Reduction in Drug Use	85%	82%	85%	85%*	N/A	74%

*Due to COVID-19 and the interruption in PSA’s normal operations, data covers October 2019 through March 2020.

Quality of Performance Data

Drug test data is recorded in and extracted from PSA’s *Pretrial Real-time Information System Manager* (PRISM) client management system. PSA’s Office of Policy, Planning and Analysis follows a rigorous multi-level review process to validate the programming language and coding used to extract PRISM information each fiscal year, and PSA management approves the performance.

Assertions

The methodology used to establish the performance target for the current year is reasonable, given past performance and available resources.

PSA has established several acceptable performance measures for which a significant amount of obligations was incurred in FY 2021.

² Rates (and counts) are not reported for these performance measures because some or all the activity needed to calculate the measure were suspended for at least 50% of fiscal year 2021.

If you have any questions concerning this report, please contact James Barber at james.barber@psa.gov or 202-220-5341

Sincerely,

Jerri Calhoun

JERRI
CALHOUN

A digital signature stamp consisting of a small grid of dots to the left of the text. The text reads: "Digitally signed by JERRI CALHOUN Date: 2022.02.08 11:58:47 -05'00'".

Digitally signed by
JERRI CALHOUN
Date: 2022.02.08
11:58:47 -05'00'

Tab D



SPECIAL OPERATIONS /
LOW INTENSITY CONFLICT

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
2500 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-2500

FEB 16 2022

Mr. Jon Rice
Office of Performance and Budget
Office of National Drug Control Policy
9th Floor
1800 G Street, NW
Washington, DC 20503

Dear Mr. Rice:

This letter and accompanying enclosures serve as the Department of Defense's (DoD) Detailed Accounting Submission for Fiscal Year 2021. Aggregate obligations for the Drug Interdiction and Counter-Drug Activities Budget Decision Unit may be found at TAB A. Data was derived from detailed obligations reports generated by applicable Military Department and Defense Agency accounting systems of record and are consistent with the application of the National Drug Control Budget Methodology at TAB B.

This previously-approved methodology remains reasonable and accurate. It is supported by official data from reliable DoD financial systems of record and fairly presents, in all material respects, aggregate obligations by drug control function as reported at TAB A. Zero modifications have been made to the ONDCP approved methodology since our previous year's report.

We have identified no material weaknesses, other known weaknesses, including those identified in the Department's Annual Statement of Assurance, or any other findings by independent sources. The obligations data presented is associated with a financial plan that properly reflects all changes made during the fiscal year. ONDCP did not issue DoD any Fund Control Notices. My point of contact for this action is Mr. William J. (B.J.) Anderson, (703) 614-7954, william.j.anderson258.ctr@mail.mil.

A handwritten signature in black ink that reads "James Saenz".

James Saenz
Deputy Assistant Secretary of Defense
for Counternarcotics and Stabilization Policy

Enclosures:
As stated

UNCLASSIFIED

Department of Defense
Drug Interdiction and Counter-Drug Activities Decision Unit Obligations

Funded Program

\$ in Thousands

FY 2021 Appropriated		914,429
No adjustments or transfers		-
FY 2021 Actual		914,429

Obligations by ONDCP Drug Control Function

\$ in Thousands

Intelligence		185,364
Intelligence: Domestic Law Enforcement	9,017	
Intelligence: Interdiction	159,449	
Intelligence: International	16,898	
Interdiction¹		331,661
International		24,538
Prevention		114,645
State and Local Assistance		222,687
FY 2021 Total Obligations²		878,895

¹ Includes \$16,258 thousand in U.S. Army Corps of Engineers obligations for Southwest Border barrier contract close-out and oversight activities in support of the Department of Homeland Security.

² Represents a 96.1% overall obligation rate based on an adjusted FY 2021 budget of \$914,429 thousand. As of September 30, 2021, obligation rates for individual appropriations were as follows:

- FY 2021 Military Pay: 96.2%
- FY 2021 Operations & Maintenance: 98.5%
- FY 2021/2023 (multiyear) Procurement: 39.9%
- FY 2021/2022 (multiyear) Research, Development, Test & Evaluation: 0.0%

FY 2021 Drug Resources Civilian Personnel Summary

Authorized Full Time Equivalent Positions

Counter-Drug Activities	777
Drug Demand Reduction Program	751
TOTAL FTE	1,528

UNCLASSIFIED

TAB A

National Drug Control Budget Methodology

Drug Interdiction and Counterdrug Activities, Defense

The purpose of this document is to explain the methodology used to express funding levels and calculate obligations for prior year Department of Defense (DoD) budgetary resources in terms of the drug control functions identified in the National Drug Control Budget. As background, the majority of DoD counterdrug activities are funded from a transfer appropriation and account both titled *Drug Interdiction and Counterdrug Activities, Defense*. Funds appropriated to this account are subsequently transferred by DoD to the various Military Departments and Defense Agencies for program execution. As designed, the transfer account supports centralized oversight and decentralized program management and execution.

The account is structured into projects, each identified by a unique Project Code. A Project Code may identify a discrete function, or may represent the aggregate of similar activities executed by the various geographic combatant commands. However, although the entirety of the account supports DoD counterdrug-related activities, the account is not structured by the drug control functions of the National Drug Control Budget. In order to reasonably and fairly quantify the account's financial commitment to the drug control functions, each Project Code is statistically weighed among the functions, either in its entirety or proportionally, using an interactive financial management database. This methodology provides a reasonable basis for consistently estimating DoD counterdrug program support to the National Drug Control Budget functions.

The Military Departments and Defense Agencies use accounting systems of record for tracking obligations of funds transferred from the *Drug Interdiction and Counterdrug Activities, Defense* appropriation. These accounting systems do not interface directly with the counterdrug financial management database; the Military Departments and Defense Agencies manually enter obligations by Project Code into this database on a quarterly basis. At the end of each fiscal year, the Military Departments and Defense Agencies submit detailed transaction listings of actual Service/Agency obligations, which are compared to the aggregate data contained within the counterdrug database. The aggregate data is then compiled into a single obligations report by drug control function, using the methodology described above. The report further informs the DoD Detailed Accounting Submission and Annual Statement of Assurance provided to the Office of National Drug Control Policy.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

21 March 2022

Assistant Director Office of Performance and Budget
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Mr. Rice,

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular, *Compliance Reviews*, I make the following assertions regarding the attached annual accounting of drug control funds for the Defense Security Cooperation Agency (DSCA):

Summer Budget Formulation Information

DSCA does not submit a summer budget formulation to ONDCP, the budget will be submitted in the fall as previously agreed upon.

Detailed Report Accounting

The following is a detailed report of the FY 2021 DSCA programs identified as supporting the ONDCP initiatives.

	FY 2021 Obligations	(Obligations in Millions)
Drug Resources by Function		
International	\$30.57	
Total Drug Resources by Function	\$30.57	
Drug Resources by Decision Unit		
Defense Security Cooperation	\$28.78	
Regional Center CTOC	\$ 1.79	
Total Drug Resources by Decision Unit	\$30.57	
Drug Resources Personnel Summary		
Total FTEs (direct only)	11 ¹	
Drug Resources as a Percent of Budget		
Total Agency Budget (in millions)	\$2,156.322	
Drug Resources Percentage	1% ²	

¹ (##) FTEs at the Regional Center CTOC predominately focused on CN/CTOC activities.

² Amounts rounded to the nearest one percent

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the agency's accounting system of record for these budget decision units, consistent with the drug budget methodology discussed below.

Drug Methodology

DSCA reports on two Decision Units: Security Cooperation Account and George C. Marshall European Center for Security Studies (GCMC) funded from the Regional Centers Account. Both execute the Office of the Secretary of Defense’s (OSD) identified Counternarcotics (CN)/Countering Transnational Organized Crime (CTOC) requirements through the Office of the Deputy Assistant Secretary of Defense for Security Cooperation. The DSCA Comptroller Division utilizes reports from the official accounting system, to track CN and CTOC funding activity. This information is captured for the fiscal year and reported annually in October. The data is pulled from the financial system by the identified accounting details based on the programs identified as Counternarcotics Programs.

DSCA CN activities are coded as Project Codes. The Project Code utilized by the GCMC CTOC program is designated by OSD as a transnational program, and as part of its transnational mandate, it is able to focus its building partnership capacity (BPC) efforts on a global audience sourced from all Geographical Combatant Commands (GCC). CN and Counterdrug (CD) funds for the GCMC CTOC program are used to fund both Civilian Pay and Non Pay requirements in direct support of CN/CTOC requirements.

DSCA utilizes Budget Activity, Budget Sub-Activity, and Budget Line item to generate a unique project identifier for program execution. These Project Codes are published in the Defense Finance and Accounting Services (DFAS) Manual 7097.01. Below is a list Project Codes used to execute CN/CTOC in FY 2021.

Project Code	Description
0400004G0417000000000000	CN - SEC 333 Base (2-Year)
0400004G0418000000000000	CN - SEC 333 OCO (2-Year)
0400004G04A4000000000000	Regional Center CTOC

Methodology Modification

I assert that there has been no change in the drug methodology used to calculate obligations.

Application of Drug Methodology

I assert that the drug methodology disclosed in this section was the actual methodology used.

Material Weaknesses or other Findings

I assert that there have been no identified material weaknesses or other findings with the programs listed above.

Reprogramming or Transfers

DSCA did not reprogram or transfer any funds included in its drug control budget.

Funds Control Notices

DSCA was not issued any Fund Control Notices by the Director.

Sincerely,

J. Aaron Harding
Chief Operating Officer and Chief Financial Officer
Defense Security Cooperation Agency



DEFENSE HEALTH AGENCY
7700 ARLINGTON BOULEVARD, SUITE 5101
FALLS CHURCH, VIRGINIA 22042-5101

MEMORANDUM TO: ASSOCIATE DIRECTOR FOR PERFORMANCE & BUDGET
Office of National Drug Control Policy

THROUGH: ERIC E. HYDE
Acting Deputy Assistant Secretary of Defense (Health
Resource Management & Policy)
Department of Defense (Health Affairs)

FROM: ROBERT L. GOODMAN
Deputy Assistant Director/CFO
Financial Operations Directorate, J8
Defense Health Agency

SUBJECT: Defense Health Agency Annual Accounting of Drug Control Funds Report

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, dated October 22, 2019, I make the following assertions regarding the attached annual accounting of drug control funds.

OBLIGATIONS BY BUDGET DECISION UNIT

I assert that obligations reported by budget decision unit are actual obligations from our agencies accounting system.

DRUG METHODOLOGY

I assert that the drug methodology used to calculate obligations of resources was reasonable and accurate in accordance with the criteria listed in Section 7b(4) of the Circular: National Drug Control Agency Compliance Review.

APPLICATION OF DRUG METHODOLOGY

I assert the drug methodology disclosed in this report was the actual methodology used to generate the table required by Section 7a of the Circular: National Drug Control Agency Compliance Review.

MATERIAL WEAKNESS OR OTHER FINDINGS

I assert no known material weakness or other findings were found in collection of FY2021 obligations data.

METHODOLOGY MODIFICATIONS

I assert no modifications were made to the drug methodology used for reporting.

REPROGRAMMING OR TRANSFERS

I assert DHP had no reportable reprogramming or transfer in FY 2021 related to drug-control obligations.

Fund Control Notices

I assert the data presented are associated with obligations, which complied fully with all ONDCP Budget Circulars.

GOODMAN.ROBER
T.LOWELL.1140586
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GOODMAN.ROBERT.LOWELL.1
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Date: 2022.02.09 14:41:39 -06'00'

Robert L. Goodman
Deputy Assistant Director/CFO
Financial Operations Directorate (J-8)
Defense Health Agency

FY 2021 Detailed Accounting Report, National Drug Control Activities, Defense Health Agency

OBLIGATIONS TABLE

Resource Summary	Dollars in Millions	
	FY 2021 Enacted	FY 2021 Obligated
Drug Resources by Function		
Treatment (includes Pharmaceuticals) ¹	\$69.453	\$67.252
Research and Development ²	\$20.945	\$19.938
Total Drug Resources by Function	\$90.398	\$87.190
Drug Resources by Decision Unit		
Defense Health Program	\$90.398	\$87.190
Total Drug Resources by Decision Unit	\$90.398	\$87.190
Drug Resource Personnel Summary		
Total FTEs (direct only)		
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions) ³	\$34.1	\$34.1
Drug resources Percentage	0.2%	0.2%

¹ Treatment and Pharmaceuticals obligation totals were impacted by CoVID during FY21.

² Research and Development Funds are multi-year appropriation. Total represents amount obligated as of 31 Dec 21

³ Total Agency Budget represents Defense Health program appropriated funding only and excludes Medicare Eligible Retiree Health Care Fund (MERHCF)

METHODOLOGY

HEALTHCARE. The TRICARE Encounter Data Operational Data Store (TEDODS) served as the data source for the purchased care information. The Medical Data Repository (MDR) served as the data source for the direct care information. The International Classification of Disease (ICD) 10 coding system provided the structure to capture and compile the healthcare information from both the TEDODS and MDR. This approach captured all purchased care and direct care encounters with a primary ICD-10 diagnosis codes or inpatient procedure codes (HCPCS) related to drug abuse treatment. For purchased care records, the data extract captured the TRICARE “government paid” amounts from the pertinent healthcare claims. Direct care encounter records included various estimated cost components.

PHARMACY. The Pharmacy Data Transaction System (PDTS) data embedded in the MDR served as the data source for the pharmacy cost component. The absence of ICD-10 drug abuse treatment specific pharmaceutical codes complicates the identification of these cost within the available pharmacy data. To address this complication, the costs of pharmaceuticals specifically associated with and prescribed for drug abuse treatment. The DHA compiled the list of drug abuse treatment specific pharmaceuticals (National Drug Control (NDC) Number) based on a

review of public, private, and federal literature related to drug abuse treatment. The list includes medications approved by FDA for drug abuse treatment.

HEALTHCARE AND PHARMACY EXCLUSIONS. Excluded from healthcare and pharmacy are costs associated with Medicare eligible beneficiaries and beneficiaries enrolled in the US Family Health Plan (USFHP) program are excluded from both the healthcare and pharmacy cost components.

RESEARCH. With the exception of Congressionally-directed research activities, the DHP appropriation does not have specific budget line items designated for drug control research activities. As a result, the costs for research represent funds provided for specific projects related to drug abuse, to include advanced development research efforts.

METHODOLOGY MODIFICATION

None

MATERIAL WEAKNESS OR OTHER FINDINGS

None

REPROGRAMMING OR TRANSFERS

None

OTHER DISCLOSURES

None

Tab E

DEPARTMENT OF EDUCATION



DETAILED ACCOUNTING OF FISCAL YEAR 2021 DRUG CONTROL FUNDS

IN SUPPORT OF THE
NATIONAL DRUG CONTROL STRATEGY
AS REQUIRED BY SECTION 705(d) OF THE OFFICE OF NATIONAL
DRUG CONTROL POLICY REAUTHORIZATION ACT OF 1998
(21 U.S.C. 1704(d))

FEBRUARY 10, 2022

DEPARTMENT OF EDUCATION
DETAILED ACCOUNTING OF FISCAL YEAR 2021 DRUG CONTROL FUNDS

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TABLE OF PRIOR-YEAR DRUG CONTROL OBLIGATIONS

	Fiscal Year 2021 Obligations (in millions)
<u>Drug Resources by Function</u>	
Prevention	\$56.032
Total	56.032
 <u>Drug Resources by Decision Unit</u>	
School Safety National Activities	\$56.032
Total	56.032

PROGRAM DESCRIPTION

A subset of projects funded under School Safety National Activities, which is a broad discretionary authority under Title IV, Part F, Section 4631 of the Elementary and Secondary Education Act (ESEA), as amended, comprise the only Department of Education activities included in the national drug control budget in fiscal year 2021. School Safety National Activities support a range of strategies to assist State and local efforts to improve students' safety and well-being.

Activities supported under School Safety National Activities that have a clear drug control nexus, and for which funds are thereby included in this accounting of drug control funds, include (1) School Climate Transformation Grants and related technical assistance to help create positive school climates by developing and adopting, or expanding to more schools, the use of multi-tiered decision-making frameworks that guide the selection, integration, and implementation of evidence-based behavioral practices for improving school climate and behavioral outcomes for all students; and (2) dissemination, outreach, and other technical assistance activities that support and improve drug and violence prevention efforts.

In addition to activities that include drug prevention, School Safety National Activities carried out by the Department in 2021 also included: (1) Project SERV (School Emergency Response to Violence), which provides education-related services to LEAs and institutions of higher education (IHEs) in which the learning environment has been disrupted due to a violent or traumatic crisis; (2) Project Prevent grants to LEAs to help schools in communities with pervasive violence break the cycle of violence; (3) School Emergency Management Activities, such as Grants to States for Emergency Management and the Department's Readiness and Emergency Management for Schools Technical Assistance Center, which helps schools, school districts, and IHEs in the development and implementation of high-quality emergency operations plans; (4) Mental Health Service Professional Demonstration Grants and School-Based Mental Health Services grants, which help increase the number of counselors and other mental health professionals to provide services to students in high-need school districts; and (5) a small number of miscellaneous other school safety activities. Although the Department obligated funds for all five of these activities in fiscal year 2021, funds for these five components of School Safety National Activities are not included in the ONDCP drug budget and, therefore, they are not included in this obligations report.

DISCLOSURES

Drug Methodology

This accounting submission includes all fiscal year 2021 obligations of funds under School Safety National Activities, with the exception of activities that have no clear drug control nexus. Accordingly, the amounts in the enclosed table of prior-year drug control obligations include all funding for School Safety National Activities, with the exclusion of obligations of funds for (1) Project SERV; (2) Project Prevent; (3) School Emergency Management Activities; (4) Mental Health Service Professional Demonstration Grants and School-Based Mental Health Services grants; and (5) miscellaneous other school safety activities.

Obligations by Drug Control Function

All obligations of funds for the School Safety National Activities program shown in the table on page 2 of this report fall under the ONDCP drug control function category of prevention.

Obligations by Budget Decision Unit

All obligations of drug control funds in the table on page 2 of this report are displayed using the School Safety National Activities program as the budget decision unit.

Methodology Modifications

The Department does not have any drug control budget methodological modifications to disclose.

Material Weaknesses or Other Findings

The Department does not have any material weaknesses or other findings to disclose that affect the presentation of fiscal year 2021 drug-related obligations in this report. Limitations that affect the presentation of drug-related obligations in this report are explained in the disclosures below.

Reprogrammings or Transfers

There were no reprogrammings or transfers of drug-related budgetary resources in the Department of Education in fiscal year 2021.

Other Disclosures

The Department acknowledges the following limitation in the methodology described above for deriving the obligations of fiscal year 2021 drug control funds attributable to the School Safety National Activities program: Not all obligations of funds included in the resource summary of this report support drug prevention activities — some of these funds support violence prevention and school safety activities that have no drug control-related nexus.

ASSERTIONS

Obligations by Decision Unit

The fiscal year 2021 obligations of drug control funds shown in this report for the School Safety National Activities drug budget decision unit are the actual 2021 obligations of funds from the Department's accounting system of record for the School Safety National Activities program.

Drug Methodology

The methodology used to calculate the fiscal year 2021 obligations of drug prevention funds presented in this report is reasonable and accurate, because: (1) the methodology captures all of the obligations of funds under the School Safety National Activities program that reasonably have a drug control-related nexus, and (2) these obligations of funds largely correspond to the display of resources for the School Safety National Activities program in the Department's budget justifications to Congress that accompany the President's budget.

Data

No workload or other statistical information was applied in the methodology used to generate the fiscal year 2021 obligations of drug control funds presented in the table on page 2 of this report. Where assumptions based on professional judgment were used as part of the drug methodology, the association between these assumptions and the drug control obligations being estimated is thoroughly explained and documented in the drug methodology disclosure and in the other disclosures on page 3 of this accounting report.

Financial Systems

Financial systems supporting the drug methodology yield data that fairly present, in all material respects, aggregate obligations from which the drug-related obligation estimates are derived.

Application of Drug Methodology

The methodology disclosed in the narrative of this report was the actual methodology used to generate the fiscal year 2021 obligations of drug control funds presented in the table on page 2.

Material Weaknesses or Other Findings

There are no material weaknesses or other findings by independent sources, or other known weaknesses, that affect the presentation of fiscal year 2021 drug-related obligations in this report. The limitation of the methodology described above for deriving the obligations of fiscal year 2021 drug control funds in this report is disclosed on page 3.

Methodology Modifications

The Department did not make any modifications in the methodology it used to calculate its drug control obligations between fiscal year 2020 and fiscal year 2021.

Reprogrammings or Transfers

There were no reprogrammings or transfers of Department of Education drug control funds in fiscal year 2021. However, subsequent to the Department submitting its fiscal year 2021 financial plan to ONDCP, the Department reallocated various small amounts of funds across activities within School Safety National Activities. As a result of these reallocations the Department's drug control budgetary resources decreased by approximately \$4 million, from \$60,028,365 (as estimated in the financial plan) to the final amount of \$56,032,352.

Fund Control Notices

The Director of ONDCP has never issued to the Department of Education any Fund Control Notices under 21 U.S.C. 1703(f) or the applicable ONDCP Circular, *Budget Execution*. Therefore, the required assertion that the data presented in this report accurately reflect obligations of drug control funds that comply with all such Fund Control Notices is not applicable.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

Audit Services

November 8, 2021

TO: Larry Kean
Director, Office of Budget Service
Office of Finance and Operations

Bryan Williams
Director, Office of Safe and Supportive Students
Office of Elementary and Secondary Education

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

SUBJECT: Office of Inspector General's Authentication of the U.S. Department of Education's
*Detailed Accounting of Fiscal Year 2021 Drug Control Funds and Calendar Year
2021 Budget Formulation Compliance Report*

As provided by 21 U.S.C. § 1704(d)(1), "Not later than February 1 of each year, in accordance with guidance issued by the Director, the head of each National Drug Control Program Agency shall submit to the Director a detailed accounting of all funds expended by the agency for National Drug Control Program activities during the previous fiscal year and shall ensure such detailed accounting is authenticated for the previous year by the Inspector General for such agency prior to submission to the Director as frequently as determined by the Inspector General but not less frequently than every 3 years."

This is to notify you that we have chosen not to authenticate the material noted for the fiscal year ending September 30, 2021.

If you have any questions, please contact Michele Weaver-Dugan, Regional Inspector General for Audit, Internal Operations/Philadelphia Audit Team at (202) 245-6941 or Michele.Weaver-Dugan@ed.gov.

Department of Education's Calendar Year 2021 Budget Formulation Compliance Report

Section 6 of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, instructs that this Compliance Report include (1) information on the Department's summer budget formulation (in this case, for fiscal year 2023); and (2) certifications by the Department's Office of Inspector General (OIG) 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 2023 during the summer of calendar year 2021, and expects the Department to include, in this Compliance Report, (1) a copy of the transmittal letter and resource summary table from the Office of Elementary and Secondary Education's (OESE) fiscal year 2023 budget request for drug control programs submitted to ONDCP in summer 2021; and (2) certification by OIG of both the timeliness of OESE's budget submission to ONDCP and that OESE's submission was not altered or adjusted by any official at the Department.

However, the Department in fact did not carry out an internal budget formulation process for fiscal year 2023 under which OESE developed or submitted a budget request to ONDCP in summer of 2021. Consequently, the requirements of the ONDCP Circular are not applicable.

ONDCP Circular (in section 6(b)(1)), in tandem with the ONDCP Circular *Budget Formulation* dated October 22, 2019 (in section 9(a)(1)), 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 to ONDCP for review or adjudication prior to development of the OMB-level fall budget submission; and (2) attest to this fact in this Compliance Report.

The Department notified ONDCP by e-mail on July 24, 2021 that for the above reasons ONDCP would not be receiving a summer drug control budget request from the Department for the fiscal year 2023 formulation cycle. For purposes of this Compliance Report we reaffirm that the Department's fiscal year 2023 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.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF PLANNING, EVALUATION AND POLICY DEVELOPMENT

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 2021 Accounting of Drug Control Funds and Calendar Year 2021 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

Tab F



ADMINISTRATION FOR
CHILDREN & FAMILIES

330 C Street, S.W., Washington, DC 20201 | www.acf.hhs.gov

MEMORANDUM TO: Associate Director for Performance and Budget
Office of National Drug Control Policy

THROUGH: Sheila Conley
Deputy Assistant Secretary For Finance and Deputy Chief Financial Officer
Department of Health and Human Services

FROM: Amanda Barlow
Director
Office of Legislative Affairs and Budget -S

Amanda E. Barlow
Digitally signed by Amanda E. Barlow
Date: 2021.12.20 10:01:02 -05'00'

SUBJECT: Administration for Children and Families Detailed Accounting
Submission for Fiscal Year 2021

DATE: December 15, 2021

In accordance with the Office of National Drug Control Policy Circular: National Drug Control Program Agency Compliance Reviews issued September 9, 2021, the Administration for Children and Families (ACF) Fiscal Year 2021 Drug Control Obligation Summary is enclosed.

**Department of Health and Human Services
Administration for Children and Families**

1. Budget Formulation Compliance Report

Summer Drug Budget Transmittal

ACF attests the Drug Control Narrative for the Regional Partnership Grants (RPG) was sent to ONDCP on July 2021.

Assertions:

- ACF provided the summer budget submission to ONDCP at the same time it was provided to HHS.
- Funding information submitted to ONDCP was the same as what was provided to HHS without alteration or adjustment.

Budget funding table included in the budget submission provided to ONDCP:

Budget Authority (in millions)			
	FY 2020 Final	FY 2021 Enacted	FY 2022 Request
Drug Resources by Function			
Prevention	\$30.000	\$20.000	\$27.000
Total Drug Resources by Function	\$30.000	\$20.000	\$27.000
Drug Resources by Decision Unit			
Promoting Safe and Stable Families – Regional Partnership Grants	\$30.000	\$20.000	\$27.000
Total Funding	\$30.000	\$20.000	\$27.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	2
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$61.7	\$62.6	\$83.0
Drug Resources percentage	0.0%	0.0%	0.0%

**Department of Health and Human Services
Administration for Children and Families**

2. Detailed Accounting Report

Accounting Submission

Within the Promoting Safe and Stable Families (PSSF) program, the Regional Partnership Grants (RPG) are competitive grants for regional organizational partnerships to provide services and activities to children and families impacted by a parent's or caretaker's substance abuse.

Resource Summary	FY 2021 Obligations *(\$ in millions)
Drug Resources by Function	
Regional Partnership Grants	\$20.000
Total, Drug Resources by Function	\$20.000
Drug Resources by Decision Unit	
Administration for Children Youth and Families	\$20.000
Total, Drug Resources by Decision Unit	\$20.000

1. Methodology: There is \$20 million allocated for RPG as part of the larger PSSF program, and costs specific to drug prevention are not tracked separately within the RPG program. Funds are competitively awarded to jurisdictions that provide, through interagency collaboration and integration of programs and services, activities and services that are designed to increase the well-being of, improve permanency outcomes for, and enhance the safety of children who are in out-of-home placements or are at risk of being placed in out-of-home placements as a result of a parent's or caretaker's substance misuse.
2. Drug Methodology: Providing the total obligation funded to the RPG program is the only method to estimate drug prevention for the larger PSSF program. ACF obligated \$20 million, from the mandatory fund to support the RPG program to provide general technical assistance and evaluation services to jurisdictions, as well as services and activities to children and families impacted by a parent's or caretaker's substance abuse. Grantees select a range of services and activities that increase the well-being, permanency, and safety of children who are in or at risk of being placed in an out-of-home placement due to parental substance misuse. Examples of those services and activities may include substance abuse treatment for parents as well as other social service activities that improve parenting capacity and family functioning.

Regional Partnerships Grants Obligations FY 2021

Grants/Contracts	\$15,711,818
Salaries & Benefits	\$482,391
IAs	\$2,628,762
5% Competitive RPG Set-Aside	\$0
Secretary Transfer	\$0
Lapsed Mandatory	\$37,029
Lapsed Discretionary	\$0
Sequestration	\$1,140,000
Competitive RPG Discretionary	\$0
Total	\$18,860,000

3. Methodology Modifications: None.
4. Material Weaknesses or Other Findings: None.
5. Reprogramming or Transfers: None.
6. Other Disclosure: None

B. Assertions:

1. Obligations by Budget Decision Unit –ACF asserts that the obligations reported in the table above are by the budget decision unit and are the actual obligations from the RPG/ACF accounting system of record.
2. Drug Methodology – N/A
 - a) Data – N/A
 - b) Financial Systems – N/A
3. Application of Drug Methodology –ACF asserts that the drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1).
4. Material Weaknesses or Other Findings –None.
5. Methodology Modifications – None.
6. Reprogramming or Transfers – None.
7. Fund Control Notices – ACF asserts that the data presented above are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.



Centers for Disease Control
and Prevention (CDC)
Atlanta GA 30333

January 27, 2022

To: Director
Office of National Drug Control Policy (ONDCP)

From: Acting Chief Financial Officer
Centers for Disease Control and Prevention (CDC)

Subject: CDC Budget Formulation Compliance Report for FY 2021

In accordance with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, I make the following assertions regarding the attached Budget Formulation Compliance Report for the Centers for Disease Control and Prevention (CDC).

Timeliness of Summer Budget Submission

I assert that the summer drug budget submitted to ONDCP under the cover letter provided in response to Section 6.a.(1) in response to ONDCP Circular, *Budget Formulation*, Section 9.a.(1) was provided to ONDCP on June 30, 2021, at the same time it was submitted to our superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission provided in Section 6.a.(2) of the Circular represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

Dana Redford
Acting Chief Financial Officer
Director, Office of Financial Resources (OFR)
Office of the Chief Operating Officer (OCCO)

Attachment: FY 2021 CDC Drug Budget Formulation Compliance Report

FY 2021 CDC DRUG BUDGET FORMULATION COMPLIANCE REPORT

RESOURCE SUMMARY

			FY 2023
<i>(Dollars in Millions)</i>	FY 2021 Enacted	FY 2022 Budget	
Drug Resources by Function			
Prevention	\$475.579	\$713.369	
Total Drug Resources by Function	\$475.579	\$713.369	
Drug Resources by Decision Unit			
Opioid Overdose Prevention and Surveillance	\$475.579	\$713.369	
Total Drug Resources by Decision Unit	\$475.579	\$713.369	
Drug Resources Personnel Summary			
Total FTEs (Direct Only) ¹	234	351	
Drug Resources as a Percent of Budget			
Total Agency Budget ^{2,3}	\$7,819.446	\$9,497.161	
Drug Resources Percentage	6.08%	7.51%	

¹ Includes vacancies.

² Excludes ATSDR and mandatory programs.

³ Includes funding from the Prevention and Public Health Fund, PHS Evaluation and NEF Direct Transfers.



Centers for Disease Control
and Prevention (CDC)
Atlanta GA 30333

January 27, 2022

To: Director
Office of National Drug Control Policy (ONDCP)

From: Acting Chief Financial Officer
Centers for Disease Control and Prevention (CDC)

Subject: CDC Detailed Accounting Report for FY 2021

In accordance with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, I make the following assertions regarding the attached Detailed Accounting Report for the Centers for Disease Control and Prevention (CDC).

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations derived from CDC's accounting system of record for these budget decision units.

Drug Methodology

I assert that the drug methodology used to calculate obligations of prior-year budgetary resources by function for CDC was reasonable and accurate in accordance with the criteria listed in Section 7.b.(2) of the Circular. In accordance with these criteria, I have documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

Application of Drug Methodology

I assert that the drug methodology disclosed in this section was the actual methodology used to generate the table required by Section 7.a.(1) of the Circular.

Material Weaknesses or Other Findings

I assert that there are no material weaknesses or other findings from previous year's reporting.

Methodology Modifications

I assert that no modifications were made to the methodology for reporting drug control resources from the previous year's reporting.

Reprogramming or Transfers

I assert that the data presented are associated with obligations against CDC's financial plan. The data presented are associated with budget activity lines defined in P.L. 116-260, Department of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act of 2021, along with funds received from ONDCP in support of the Drug Free Communities Program.

In FY 2021, CDC transferred drug control budget authority funds through the HHS Secretary's Permissive Transfer to Support the Unaccompanied Children (UC) program.

- Opioid Overdose Prevention and Surveillance \$1,460,000
- Infectious Diseases and the Opioid Epidemic \$40,000

Funds Control Notices

CDC was not issued a Fund Control Notice by the Director under 21 U.S.C. § 1703(f) as described in Section 9 of the ONDCP Circular, *Budget Execution*, dated September 9, 2021.

Dana Redford
Acting Chief Financial Officer
Director, Office of Financial Resources (OFR)
Office of the Chief Operating Officer (OCOO)

Attachment: FY 2021 CDC Detailed Accounting Report

FY 2021 CDC DETAILED ACCOUNTING REPORT

Drug Resources by Decision Unit Table

FY 2021 Drug Resources by Decision Unit	FY 2021 Resources	FY 2021 Obligations
Opioid Overdose Prevention and Surveillance ¹	\$474,119,000	\$473,986,510
Drug Free Communities Program ²	\$130,054,206	\$129,386,098
Infectious Diseases and the Opioid Epidemic ³	\$12,960,000	\$12,594,271
Total Drug Resources	\$617,133,206	\$615,966,880

¹ The FY 2021 Opioid Overdose Prevention and Surveillance resources of \$474,119,000 reflect a reduction of \$1,460,000 to support the HHS's Unaccompanied Children (UC) program from the budget authority (BA) level of \$475,579,000.

² Drug Free Communities Program funding was provided to CDC via Expenditure Transfer and Interagency Agreement.

³ The FY 2021 Infectious Diseases and the Opioid Epidemic resources of \$12,960,000 reflect a reduction of \$40,000 to support HHS's Unaccompanied Children (UC) program from the budget authority (BA) level of \$13,000,000.

Drug Resources Table by Function Table

FY 2021 Drug Resources by Budget Function	FY 2021 Resources	FY 2021 Obligations
Prevention	\$617,133,206	\$615,966,880
Total by Function	\$617,133,206	\$615,966,880

Transfers

HHS Secretary's Permissive Transfers from Drug Control Budget Authority to Support the Unaccompanied Children (UC) Program	FY 2021 Transfer
Opioid Overdose Prevention and Surveillance	(\$1,460,000)
Infectious Diseases and the Opioid Epidemic	(\$40,000)

Methodology

The CDC methodology for determining the drug control budget was established using the amounts appropriated (or budget authority) for Opioid Overdose Prevention and Surveillance (\$475,579,000) and Infectious Diseases and the Opioid Epidemic (\$13,000,000) under P.L. 116-260, Department of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act of 2021. In addition to amounts appropriated directly to CDC, the Agency administers the Drug Free Communities Program (\$130,054,206) through a transfer from ONDCP.

CDC plays a critical role in opioid overdose prevention by strengthening surveillance, helping providers improve prescribing practices, and working to identify and scale up effective interventions. CDC's funding initiatives work to build state, local and tribal capacity and equip public health officials with resources to combat the epidemic. CDC uses data to drive action to prevent and address opioid overdoses, as well as other negative health effects of this epidemic.

Methodology Modifications

N/A

Material Weakness or Other Findings

N/A

Reprogrammings or Transfers

In FY 2021, CDC transferred drug control budget authority funds through the HHS Secretary's Permissive Transfer to Support the Unaccompanied Children (UC) program. The budget authority lines and transfer amounts are listed below.

- Opioid Overdose Prevention and Surveillance \$1,460,000
- Infectious Diseases and the Opioid Epidemic \$40,000

Other Disclosures

N/A



DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



January 24, 2022

TO: Megan Worstell
Director, Office of Financial Management and Chief Financial Officer
Centers for Medicare and Medicaid Services

FROM: Amy J. Frontz
Deputy Inspector General for Audit Services

**AMY
FRONTZ**

Digitally signed by
AMY FRONTZ
Date: 2022.01.24
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SUBJECT: Independent Attestation Review: *Centers for Medicare & Medicaid Services Fiscal Year 2021 Detailed Accounting Submission and Budget Formulation Compliance Report for National Drug Control Activities, and Accompanying Required Assertions, A-03-22-00351*

This report provides the results of our review of the attached Centers for Medicare & Medicaid Services (CMS) Office of National Drug Control Policy (ONDCP) Detailed Accounting Report, which includes the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2021. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2023,¹ and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information. CMS management is responsible for, and submitted, the Detailed Accounting Report and Budget Formulation Compliance Report, which were prepared in accordance with the ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (ONDCP Compliance Reviews Circular). It is our responsibility to express a conclusion about the reliability of management's assertions based on our review.

We performed this review as required by 21 U.S.C. § 1704(d)(1) and as authorized by 21 U.S.C. § 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements, as described in the U.S. Government Accountability Office (GAO) publication, *Government Auditing Standards* (April 2021). Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to

¹ Although CMS's Budget Formulation Compliance Report was provided to ONDCP as of fiscal year 2021, the budget figures reflect the fiscal year 2023 funding request.

management's assertions to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance and express an opinion about whether management's assertions are in accordance with the criteria in all material respects. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to CMS's Detailed Accounting Report for fiscal year 2021 and CMS's Budget Formulation Compliance Report for fiscal year 2023 for them to be in accordance with the ONDCP Compliance Reviews Circular.

CMS's Detailed Accounting Report and Budget Formulation Compliance Report assertions² are included as Attachment A.

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and CMS. It is not intended to be, and should not be, used by anyone other than those specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Carla J. Lewis, Assistant Inspector General for Audit Services, at (202) 205-9125 or at Carla.Lewis@oig.hhs.gov. Please refer to report number A-03-22-00351 in all correspondence.

Attachment

² Only the Budget Formulation report assertions are included in Attachment A since the report contains prospective information.



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mailstop C3-01-24
Baltimore, Maryland 21244-1850

Office of Financial Management

MEMORANDUM

DATE: December 7, 2021

TO: **Director**
Office of National Drug Control Policy (ONDCP)

FROM: **Megan Worstell**
Director, Office of Financial Management and Chief Financial Officer
Centers for Medicare & Medicaid Services

SUBJECT: **ONDCP Circular: National Drug Control Program Agency Compliance Reviews (Dated September 9, 2021, Sections 6-7)**

In accordance with the requirements of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, CMS is submitting our Compliance Report to ONDCP. We are including the Budget Formulation Compliance Report (Section 6) and providing section numbers in the assertions for the Detailed Accounting Report (Section 7).

Section 6 – Budget Formulation Compliance Report

In accordance with the requirements of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, CMS submitted the FY 2023 Summer Budget to Department of Health and Human Services (HHS) and ONDCP on Monday, June 21, 2021. CMS is also making the following assertions regarding the attached under Section 6 of the Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

CMS asserts, in accordance with Section 6.a. (1), that the FY 2023 summer drug budget submitted to ONDCP under the cover letter provided to ONDCP on Monday, June 21, 2021 at the same time as the budget request was submitted to HHS in accordance with 21 U.S.C. § 1703 (c)(1)(A) without alteration or adjustment.

Funding Levels Represent Actuarial Estimates of Project Spending Based on Current Law

CMS asserts, in accordance with Section 6.a. (2), that we do not receive specific ONDCP appropriation funding for drug control activities. Therefore, the amounts provided are based on estimates of the projected costs associated with substance abuse treatment paid for by Medicare and Medicaid current law benefit costs, which are conducted by the CMS Office of the Actuary (OACT). Our submission represents the budget estimates made by CMS to the Department without alteration or adjustment by any official at the Department (see Attachment A).

Section 7 – Detailed Accounting Report

In accordance with the requirements of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews dated September 9, 2021; CMS is making the following assertions under Section 7, Detailed Accounting Report requirements of attached annual accounting of drug control funds:

Obligations by Budget Decision Unit

CMS asserts, in accordance of with Section 7.b. (1), that we do not receive specific ONDCP appropriation funding for drug control activities. The amounts provided are based on estimates of the projected costs associated with substance abuse treatment paid for by Medicare and Medicaid, and are prepared by the CMS OACT. (See Attachment B)

Drug Methodology

CMS asserts, in accordance with Section 7.b. (2), that the methodology used to determine these estimates is based on an analysis of historical claims experience and is reasonable and accurate. In accordance with these criteria, CMS has documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the methodology, yield data that present fairly, in all material aspects, estimates based on current law from which the drug estimates are derived. (See Attachment C).

Application of Drug Methodology

CMS asserts, in accordance with Section 7.b. (3), that the drug methodology disclosed in Attachment B was the actual methodology used to generate the tables and narratives as required.

Material Weaknesses or Other Findings

CMS asserts, in accordance of Section 7.b. (4), there have been no material weaknesses or other findings by independent sources or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required have been disclosed.

Methodology Modifications

CMS asserts, in accordance with Section 7.b. (5), there are no modifications for reporting drug control resources from the previous year's reporting.

Reprogrammings or Transfers

CMS asserts, in accordance with Section 7.b. (6), that there have been no reprogramming or transfers, since we do not receive specific ONDCP appropriation funding for drug control activities.

Fund Control Notices

CMS asserts, in accordance with Section 7.b. (7), that we do not receive specific ONDCP appropriation funding for drug control activities. Therefore, the amounts provided are based on obligations, but are based on estimates of the projected costs associated with substance abuse treatment paid for by ,and which are prepared by the CMS OACT.

Sign and Date:

Megan Worstell -S Digitally signed by Megan
Worstell -S
Date: 2021.12.07 11:11:05 -05'00'

Megan Worstell

Director, Office of Financial Management and Chief Financial Officer
Centers for Medicare & Medicaid Services

Attachments

- Attachment A - FY 2023 Summer Drug Budget Resource Summary Table
- Attachment B - FY 2021 Drug Control Resource Table
- Attachment C - FY 2021 Drug Control Methodology

Attachment B

FY 2021 Drug Control Summary Resource Table

**CENTERS FOR MEDICARE AND MEDICAID SERVICES
FY 2021 Drug Control Enacted Outlays**

(Dollars in millions except where indicated otherwise)

Drug Resources by Decision Unit and Function³

Medicaid	
Treatment.....	\$6,870.0
Total Medicaid.....	\$6,870.0
Medicare	
Treatment.....	\$2,920.0
Total Medicare.....	\$2,920.0
Total Funding.....	\$9,790.0
Drug Resources Personnel Summary	
<i>Total Full Time Equivalentents (FTEs).....</i>	<i>0</i>
Drug Resources as a Percent of Budget	
Total Agency Budget (in billions ⁴).....	\$1,407.1
Drug Resources Percentage.....	0.7%

³ Drug Resources by Decision Unit and Function table comes from the [FY 2022 CMS Congressional Justification](#).

⁴ The total agency budget reflects only Medicare and Medicaid current law benefit costs as estimated by the CMS Office of the Actuary. The Medicaid total reflects the net outlays of Medical Assistance Payments benefit grants and the Vaccines for Children Program, administered by the Centers for Disease Control and Prevention. The Medicare total reflects gross benefit outlays.

Attachment C

FY 2021 Drug Control Methodology

1) **Drug Methodology** – The Fiscal Year (FY) 2021 Drug Control budgetary resources are provided are based on estimates of the projected costs associated with substance abuse treatment paid for by Medicare and Medicaid and are prepared by the CMS Office of the Actuary. See detail below how Medicaid and Medicare methodology is determined.

a. **FY 2021 Outlays/Enacted by Budget Decision Unit** – CMS distributes drug control treatment into two functions:

- Medicaid – Treatment
- Medicare – Treatment

Medicaid Treatment:

Included in this Drug Control Accounting report for FY 2021 are estimated Medicaid outlays, rather than obligations, since CMS receives no direct funding from ONDCP. Based on the Medicaid Methodology stated below, OACT projected \$6,870.0 million in estimated outlays in Medicaid treatment costs based on the methodology below.

Medicaid Methodology

The projections provided in the above table were based on data from the Medicaid Analytic eXtract (MAX) for Fiscal Year (FY) 2007 through 2012, based on expenditures for claims with Substance Use Disorders (SUD) as a primary diagnosis. Managed care expenditures were estimated based on the ratio of SUD expenditures to all expenditures for fee-for-service by eligibility group. The estimates were trended forward to FY 2019 using the growth rate of expenditures by state and eligibility category from the form CMS-64, Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, MAX data, and estimates included in the FY 2022 President's Budget. The annual growth rates were adjusted by comparing the rate of SUD expenditure growth from FY 2007 through 2012 to all service expenditure growth and adjusting the growth rate proportionately.

Medicare Treatment:

Included in this Drug Control Accounting report for FY 2021 are estimated Medicare outlays, rather than obligations, since CMS receives no direct funding from ONDCP. Based on the Medicare Methodology stated below, OACT projected \$2,920.0 million in estimated outlays in Medicare treatment costs based on the methodology below.

Medicare Methodology

The projections of Medicare spending for the treatment of substance abuse are based on the FY 2022 President's Budget baseline. These projections reflect estimated Part A and Part B spending in FY 2021 and are based on an analysis of historical fee for service claims through

2019, using the primary diagnosis code⁵ included on the claims. The historical trend is then used to make projections into FY 2021. These projections are very similar to those for the FY 2021 President's Budget and vary only due to changes in the baseline.

Within this methodology, an adjustment was made to reflect spending for beneficiaries who are enrolled in Medicare Advantage (MA) plans, since their actual claims are not available. It was assumed that the proportion of costs related to substance abuse treatment was similar for beneficiaries enrolled in MA plans as for those enrolled in fee-for-service Medicare.

These estimates do not include spending under Medicare Part D because there is not a straightforward way to get this information. There is no diagnosis code associated with prescription drug claims, and drugs used to treat SUD are often also used to treat other conditions.

- 2) **Methodology Modifications** – None
- 3) **Material Weakness or Other Findings** - None
- 4) **Reprogramming or Transfers** – None
- 5) **Other Disclosures** – None

⁵ Based on the International Classification of Diseases (ICD) coding system. The applicable ICD-9 codes for substance abuse include a subset of the 291, 292, 303, 304, and 305 category of codes; ICD-9 codes 7903, E9352, and E9401; and *Other Chronic and Potentially Disabling Conditions for Alcohol and Drug Use Disorders*, excluding V65.42 and V79.1. The applicable ICD-10 codes for substance abuse include a subset of the F10, F11, F12, F13, F14, F15, F16, F17, F18, and F19, G62, I42, K29, K70, O35, O99, P04, P96, Q86, R78, T40, T50, and T51 ICD-10 category of codes.



Memorandum

To: Director
Office of National Drug Control Policy

From: James Tyler, Chief Financial Officer
U.S. Food & Drug Administration

Date: January 10, 2022

Subject: Detailed Accounting Report

In accordance with the requirements of *National Drug Control Program Agency Compliance Reviews* dated September 9, 2021, I make the following assertions regarding the attached annual accounting of drug control funds.

Obligations by Budget Decision Unit

I assert the obligations reported by budget decision units are actual obligations from FDA's financial accounting system. However, some obligations from the accounting system need to be further defined based on a standard methodology.

Drug Methodology

I assert that the drug methodology used to calculate obligations of budget resources for FDA's opioids activities included in the National Drug Control Budget was reasonable and accurate in accordance with the criteria listed in Section 7.a (3) of the Circular. FDA identified the drug control budget by using the dedicated budget authority for opioids activities. This includes opioid dedicated activities conducted by the Center for Drug Evaluation and Research (CDER) and the Office of Regulatory Affairs (ORA).

FDA pulls reports from our accounting system of record, Unified Financial Management System (UFMS), that clearly identifies about \$37M of the obligations against the drug control budget. The remaining \$27M is obligated in UFMS as part of the broader Human Drugs program but requires a standard methodology to define the funding attributable to the opioids spending.

For ORA's opioids work, about \$18M can be clearly identified in a UFMS report. The remaining \$26M is obligated in UFMS as part of the broader field component of the Human Drugs program but requires a standard methodology to define the funding attributable to the opioids spending. Due to the matrix nature of ORA's work, tracking all expenditures in UFMS is difficult. Therefore, to ensure the best tracking of the obligation of resources by program, project, and activity (PPA), ORA utilizes a methodology that focuses on the ORA Field Workplan which outlines, in detail, the foreign, import, and domestic workload for ORA field offices. ORA budget staff analyzes the data to ensure that the ORA work being accomplished throughout the year remains in line with the PPAs. This methodology is also

used to ensure ORA is spending the appropriate level of resources on opioids related work for both payroll and operating costs.

For CDER's work, about \$19M can be clearly identified in a UFMS report. The remaining \$1M is obligated in UFMS as part of the broader center component of the Human Drugs program and requires a standard methodology to define the funding attributable to the opioids spending. In FY 2021, that funding went to the ORISE Fellowship program. CDER tracks ORISE obligations by moving funds from the Office CANs to the ORISE CAN and recording the CAN movement onto their internal SharePoint site.

Application of Drug Methodology

I assert that the drug methodology disclosed in this report was the actual methodology used to generate the table required by Section 7.b.(3) of the Circular.

Material Weakness or Other Findings

I assert there are no material weaknesses, other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.b.(4) of the Circular.

Methodology Modifications

FY 2021 is the first year for FDA's drug control reporting, I assert that no modifications were made to the methodology for reporting drug control resources as required by Section 7.b.(5) of the Circular.

Reprogramming or Transfers

I assert that the data presented are associated with obligations against FDA's financial plan as required by Section 7.b.(6) of the Circular. FDA had no reportable reprogramming's or transfers in FY 2021 related to drug-control obligations.

Fund Control Notices

FDA has not previously provided a financial plan under Section 9 of the ONDCP Circular, Budget Execution. FY 2021 is the first year that FDA is reporting on actual obligations and has not received any Fund Control Notices from ONDCP. Therefore, I assert that FDA is in compliance with the Circular.

James Tyler
Chief Financial Officer

Attachment

- Accounting of Drug Control Funds
 - FY 2021 FDA Operating Plan
-



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



January 28, 2022

TO: James Tyler
Chief Financial Officer
Food and Drug Administration

FROM: Amy J. Frontz
Deputy Inspector General for Audit Services

**AMY
FRONTZ**

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AMY FRONTZ
Date: 2022.01.28
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SUBJECT: Independent Attestation Report: *Food and Drug Administration Budget Formulation Compliance Report and Detailed Accounting Submission for Fiscal Year 2021 National Drug Control Activities, and Accompanying Required Assertions*, A-03-22-00352

This report provides the results of our review of the Food and Drug Administration (FDA) Office of National Drug Control Policy (ONDCP) Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2023, and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information. FDA's management is responsible for preparing and submitting the Budget Formulation Compliance Report in accordance with the ONDCP Circular National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (ONDCP Compliance Reviews Circular). It is our responsibility to express a conclusion about the reliability of management's assertions based on our review.

We performed this review as required by 21 U.S.C. § 1704(d)(1) and as authorized by 21 U.S.C. § 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

We also received FDA's ONDCP Detailed Accounting Report and management's assertions for the fiscal year ended September 30, 2021. FDA did not provide this report in sufficient time for the Office of Inspector General to review and authenticate the report. Accordingly, we do not express a conclusion about the reliability of management's assertions.

Budget Formulation Compliance Report

We conducted our review of FDA's Budget Formulation Compliance Report for fiscal year 2023 in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements, as described in the U.S. Government Accountability Office (GAO) publication, *Government Auditing Standards* (April 2021). Those standards require that we plan and perform the review to obtain limited assurance

about whether any material modifications should be made to management’s assertions to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance and express an opinion about whether management’s assertions are in accordance with the criteria in all material respects. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to FDA’s Budget Formulation Compliance Report for fiscal year 2023 for it to be in accordance with the ONDCP Compliance Reviews Circular.

Detailed Accounting Report

FDA is required to submit its ONDCP Detailed Accounting Report along with the Office of Inspector General’s authentication of that report to ONDCP by February 1, 2022. As stated in the ONDCP Compliance Reviews Circular, section 9, FDA’s management must submit the ONDCP reports to the Office of Inspector General in sufficient time to allow for review and authentication.

We requested that FDA provide its reports to us by November 22, 2021. We did not receive FDA’s ONDCP Detailed Accounting Report, which included an Accounting of Drug Control Funds, Fiscal Year 2021 FDA Operating Plan, and management’s assertions for the fiscal year ended September 30, 2021, until January 10, 2022. FDA did not submit its ONDCP Detailed Accounting Report in a reasonable time for the Office of Inspector General to complete its authentication and ensure that its professional standards are not compromised. Consequently, the Office of Inspector General did not have sufficient time to complete its review and enable FDA to meet its statutory deadline by reporting to ONDCP by February 1, 2022.

Conclusion

Based on our review, FDA did not conform in all material respects to the ONDCP Compliance Reviews Circular. Specifically, FDA did not provide a timely ONDCP Detailed Accounting Report for the fiscal year ended September 30, 2021. Except for this deficiency, we are not aware of any material modifications that FDA should make to be in accordance with the ONDCP Compliance Reviews Circular.

FDA’s Budget Formulation Compliance Report assertions are included as Attachment A.¹

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and FDA. It is not intended to be, and

¹ Only the Budget Formulation report assertions are included in Attachment A since the report contains prospective information.

should not be, used by anyone other than those specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Carla J. Lewis, Assistant Inspector General for Audit Services, at (202) 205-9125 or at Carla.Lewis@oig.hhs.gov. Please refer to report number A-03-22-00352 in all correspondence.

Attachment



Memorandum

Date: December 15, 2021

To: Director
Office of National Drug Control Policy

From: James Tyler, Chief Financial Officer
U.S. Food & Drug Administration

Subject: Assertions Concerning FY 2023 Budget Formulation Summer Submission

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, the Food and Drug Administration (FDA) is providing this memorandum.

Summer Budget Formulation Information

FDA provided the FY 2023 summer budget submission to ONDCP on July 14, 2021. A copy of the submission is provided as an attachment to this memorandum.

Timeliness of Summer Budget Submission

I assert that FDA provided the FY 2023 summer budget submission to ONDCP at the same time as HHS.

Funding Levels Represent Bureau-Level Request

I assert that the information provided in FDA's FY 2023 summer budget submission was the same as what was provided to the Department of Health and Human Services (HHS) and was provided to ONDCP without alteration or adjustment by HHS.

James E. Tyler Jr -S
James Tyler
Chief Financial Officer

Digitally signed by
James E. Tyler Jr -S
Date: 2021.12.15
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Attachment:
FDA FY 2023 Summer Budget Submission to ONDCP



MEMORANDUM TO: Director
Office of National Drug Control Policy

FROM: Elizabeth DeVoss
Chief Financial Officer
Health Resources and Services Administration

DATE: January 27, 2022

SUBJECT: Health Resources and Services Administration
Detailed Accounting Report for FY 2021

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, I make the following assertions regarding the attached Detailed Accounting Report:

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are actual obligations from HRSA's financial accounting system for the Federal Office of Rural Health Policy Rural Communities Opioid Response Program (RCORP), and estimated obligations for the Bureau of Primary Health Care Substance Use Disorder and Mental Health Services (SUD-MH).

Drug Methodology

I assert that the drug methodology used to calculate obligations of budget resources was reasonable and accurate in accordance with the criteria listed in Section 7.b.(2) of the Circular. In accordance with these criteria, I have documented data, which support the drug methodology, explained and documented estimation methods and determined that the financial and programmatic systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

Application of Drug Methodology

I assert that the drug methodology disclosed in this report was the actual methodology used to generate the table required by Section 7.a.(1) of the Circular.

Material Weakness or Other Findings

I assert that all material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) of the Circular have been disclosed.

Methodology Modifications

I assert that no modifications were made to the methodology for reporting drug control resources from the previous year's reporting.

Reprogramming or Transfers

I assert that the data presented are associated with obligations against HRSA's financial plan. HRSA has no reportable reprogrammings or transfers in FY 2021 related to drug-control obligations.

Fund Control Notices

I assert that the data presented are associated with obligations against HRSA's operating plan, which complied fully with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Detailed Accounting Report

Resource Summary

Budget Authority (in millions)	
	FY 2021 Obligated
Prevention	\$84.050
Treatment	\$565.950
Total Drug Resources by Function	\$650.000
Bureau of Primary Health Care	\$540.000
Federal Office of Rural Health Policy	\$110.000
Total Drug Resources by Decision Unit	\$650.000
Total FTEs (direct only)	--
Total Agency Budget (in Billions)	\$12.1
Drug Resources percentage	5.4%

METHODOLOGY

BPHC

For each of fiscal years 2016 – 2019, HRSA provided new annual ongoing grant funding supporting SUD/MH service expansion in health centers totaling \$545 million projected to remain in Health Center Program base continuation funding in subsequent fiscal years. Subsequently in FY 2020, HRSA found that 36 health centers were unable to demonstrate sufficient progress to merit continuing their AIMS awards, resulting in a \$2 million total reduction in drug control funding. For FY 2021, HRSA found that 63 health centers were unable to demonstrate sufficient progress to merit continuing their SUD-MH awards, resulting in a \$3 million total reduction in drug control funding. The resulting total targeted funding of \$540 million is scored as drug control funding.

FORHP

The allocation of funds for the Rural Communities Opioid Response Program (RCORP) is through competitive grants and cooperative agreements. The entirety of these programs is scored as drug control funding.

The prevention-treatment split for FY 2021 was revised to match the programs funded based on the enacted budget.

METHODOLOGY MODIFICATIONS

N/A

MATERIAL WEAKNESSES OR OTHER FINDINGS

N/A

REPROGRAMMINGS OR TRANSFERS

N/A

OTHER DISCLOSURES

N/A

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Indian Health Service
Drug Control Budget
FY 2023

	Budget Authority (in Millions)	
	FY 2021 Enacted ¹	FY 2022 President's Budget
Drug Resources by Function		
Prevention	33.794	34.233
Treatment	98.371	101.034
Total Drug Resources by Function	\$132.165	\$135.267
Drug Resources by Decision Unit		
Alcohol and Substance Abuse	128.518	131.645
Urban Indian Health Program	3.647	3.622
Total Drug Resources by Decision Unit	\$132.165	\$135.267
Drug Resources Personnel Summary		
Total FTEs (direct only)	171	171
Drug Resources as a Percent of Budget		
Agency Budget	\$ 6,236.279	\$ 8,471.279
Drug Resources Percentage	2.12%	1.60%
¹ The American Rescue Plan Act provided \$420 million for mental health and substance abuse prevention and treatment activities for IHS, Tribal, and urban Indian health programs. These funds have not yet been allocated, but the IHS anticipates a portion of the \$420 million will support drug control activities.		

MISSION

The Indian Health Service (IHS), an agency within the Department of Health and Human Services, is responsible for providing Federal health services to American Indian and Alaska Native (AI/AN) people. IHS supports substance abuse treatment and prevention services as part of this mission.

METHODOLOGY

The IHS includes the appropriation for Alcohol and Substance Abuse (excluding the amount designated as Adult Alcohol Treatment) and the portion of Urban Indian Health funds that partially come from the National Institute on Alcohol Abuse and Alcoholism programs transferred to the IHS under the Urban Indian Health budget.

BUDGET SUMMARY

[REDACTED]

[REDACTED]

[REDACTED]

The Administration's ONDCP *Strategy* guides and expands Federal government efforts to reduce the size of the drug-using population through 1) prevention and education, 2) increasing access to treatment services for those suffering from substance use disorder, and 3) reducing the availability of dangerous drugs. The *Strategy* offers a valuable opportunity for IHS to advance its mission by strengthening existing programs to control and reduce substance use and eliminate its deleterious effects on the health and safety of AI/AN patients and communities.

The IHS Alcohol and Substance Abuse program serves AI/ANs impacted by substance use disorders through IHS, Tribal, and Urban Indian operated treatment and prevention programs and Youth Regional Treatment Centers (YRTCs).

The IHS established a multi-disciplinary workgroup to form the IHS National Committee on Heroin, Opioids, and Pain Efforts (HOPE). The HOPE Committee is comprised of a multidisciplinary membership to include clinical representation from family medicine, pharmacy, behavioral health, nursing, pediatrics, physical therapy, epidemiology, and injury prevention. The HOPE Committee work plan supports the HHS 5-Point Strategy to Combat the Opioid Crisis with a specific focus on 1) better pain management; 2) improving access to culturally relevant prevention, treatment, and recovery support services; 3) increasing availability and distribution of opioid overdose reversing drugs; and 4) improved public health data reporting and surveillance.

In addition to direct services, the IHS Alcohol and Substance Abuse grant and federal award program supports the IHS Strategic Plan *Goal 2, Objective 2.2 to provide care to better meet the health care needs of AI/AN communities and Goal 1 to ensure comprehensive, culturally appropriate personal and public health services are available and accessible to AI/AN people.* Particularly, in the prevention, treatment and recovery of alcohol and substance use disorders.

The IHS Division of Behavioral Health administers community-based grants that promote the use and development of evidence-based and practice-based models that represent culturally-appropriate prevention and treatment approaches to substance misuse from a community-driven context. In particular, the IHS Opioid Grant Program and the Substance Abuse and Suicide Prevention program will support the IHS Strategic Plan *Goal 1, Objective 1.2 to build, strengthen, and sustain collaborative relationships and Objective 1.3 to increase access to quality health care services.*

IHS Opioid Grant Program: In FY 2021, IHS awarded a total of \$16 Million in grants to combat the opioid crisis. IHS awarded thirty-five grants under the Community Opioid Intervention Pilot Project (COIPP) for AI/ANs targeted at opioid specific activities. This grant initiative has three objectives, 1) to increase public awareness and education about culturally-appropriate and family-centered opioid prevention, treatment and recovery practices and programs 2) creating comprehensive support teams to strengthen and empower AI/AN families, and finally 3) reducing the unmet treatment needs and opioid overdose related deaths through the use of Medication Assisted Treatment (MAT). Evaluation of the COIPP initiative will promote the documentation, and sharing of locally-designed, culturally-appropriate prevention, treatment, recovery, and aftercare services for opioid use disorders in AI/AN communities. The IHS COIPP is a three year program and part of the Department of Health and Human Services' five-point strategy to fight the opioid overdose epidemic in America.

IHS Substance Abuse and Suicide Prevention (SASP): The SASP is a nationally-coordinated grant program (formerly referred to as the Methamphetamine and Suicide Prevention Initiative (MSPI)) which focuses on substance abuse and suicide prevention providing intervention resources targeted to Tribes, Tribal programs, and Urban Indian communities with the greatest need for these programs. Due to the COVID-19 pandemic, the majority of the 174 SASP projects reduced and/or ceased activities. Only a limited number of projects continued to operate and did so according to their local, state, and federal guidelines for COVID-19 by modifying in-person activities to virtual events. In June 2020, the IHS requested and received a 1-year extension for all SASP grants from the Department of Health and Human Services (DHHS) due to the impact of COVID-19. The new end date for all SASP grants will be September 29, 2021.

Of the projects funded, 19 projects specifically focus on substance use prevention, treatment, and aftercare, while 107 focus on substance use and suicide prevention among Native youth. IHS established the Universal Alcohol Screening (UAS) as a national measure to increase screening and improve detection and intervention strategies among patients' ages 9 through 75 years of age. In FY 2020, 37.1 percent of eligible patients were screened for risky alcohol use, which is less than the IHS target of 42.4 percent.

All projects funded have a training objective to increase and expand the types of healthcare providers trained in SUD screening, assessment or treatment, including Brief Intervention and Motivational Interviewing. Projects also seek to hire additional behavioral health staff (i.e., licensed behavioral health providers and paraprofessionals, including but not limited to peer specialists, mental health technicians, and community health aides) specializing in child,

adolescent, and family services. These new staff will be responsible for implementing project activities that address all of the required objectives listed.

Successful outcomes during the fourth year of the program include expanded behavioral health services offered through school settings and home visiting with a total of 1,475 patients receiving care. Over 270 providers were trained in behavioral health integration with 163 of those providers located within a primary care setting. Project accomplishments include 67,168 individuals screen for suicide ideation, 54 percent of the SASP program suicide prevention projects implemented an enhanced process for suicide screening, and over 11,003 community members have been trained in suicide and/or substance use prevention. Fifty three percent of projects hosted a successful prevention education community event. Twenty nine percent reported implementation and documentation of a system change. In addition, among projects supported, a total of 76,054 individuals received cultural services, a high percentage of projects have continued to offer integrated traditional healing into care, extended service hours, provision of follow-up care, new counseling and case management services. In summary, the SASP program continues to support tribes, tribal organizations, urban Indian organizations (UIOs), and federal facilities offering care.

Preventing Alcohol-Related Deaths (PARD): In the 2017 Senate Appropriations Committee Report 114-281, the Committee directed IHS to “allocate \$2,000,000 of the increase provided for the alcohol and substance abuse program to fund essential detoxification and related services.” Specifically, in the report the number of alcohol related deaths in the community of Gallup, New Mexico was addressed with the report stating, “these deaths underscore the urgent need for substance abuse treatment, residential services and detoxification services” in this community. In response, the IHS used the increased appropriated funds to address the urgent need in the city of Gallup, New Mexico. In addition to Gallup, New Mexico, IHS was aware of the urgent need for alcohol detoxification services in the Great Plains Area after the removal of liquor licenses and alcohol sales in White Clay, Nebraska, leading to the potential for increased mortality if services were unavailable for alcohol detoxification. As a result, funds were also made available to address this urgent need. The funds provided to Gallup, New Mexico and the Great Plains Area (specifically the Oglala Sioux Tribe) to address the need for social detoxification services were made available in FY 2017 through a competitive cooperative agreement. The funding announcement was released in FY 2017 and two projects were selected and funded. The project period is for five years and will run from September 15, 2017, to September 14, 2022. With the additional funding, the Gallup NM site reported detoxification services to 9,482 unique individuals with over 75 percent of those clients including males. In addition to services offered for monitoring, supervising and managing detoxification, this site has increased coordination and transportation with the Emergency Department; and established a contract with the Gallup Police Department to transport patients to the detoxification center. The Great Plains’ site has used the funding to increase coordination with behavioral health programs, provide screenings and brief interventions to individuals incarcerated in jails, and serve as an immediate placement for individuals who are in need of treatment services following detoxification. In FY 2020, nearly 100 percent of individuals held in detoxification for more than two weeks were successfully admitted into a higher level of residential treatment care for their SUD.

At the onset of the COVID-19 pandemic, services were temporarily interrupted at the City of Gallup detoxification site and the PARD site in the Great Plains Area. Services were temporarily disrupted due to tribal ordinances enforcing lockdowns and closures of tribal operations. Operations have since resumed and IHS continues to work with both sites to ensure each has adopted guidelines provided by the local and state health departments, and the Centers for Disease Control and Prevention.

Youth Regional Treatment Centers: The IHS YRTC provide residential substance abuse and mental health treatment services to AI/AN youth. Congress established these YRTCs in each of the 12 IHS Areas, with two (northern and southern) specifically authorized for the California Area. The YRTC in Northern California is expected to be operational in early 2021. The 12 currently funded YRTCs provide quality holistic behavioral health care for AI/AN adolescents that integrate traditional healing, spiritual values, and cultural identification. In FY 2020, all federal YRTCs in operation 18 months or longer have achieved and maintained accreditation status.

YRTC Aftercare Pilot Project: Two YRTC facilities, Desert Sage and the Healing Lodge of the 7 Nations are in the last year of an IHS supported aftercare pilot project. YRTCs have an important role in maintaining the health of patients after discharge. This aftercare pilot emphasized developing culture-based treatment that prevents alcohol and substance abuse relapse among youth discharged. While evaluations are in place, current data indicates that these programs have resulted in improved coordination around aftercare and case management, increased training of community supports for the adolescents, improved identification of transitional living, increased awareness of the use of social media, and improved follow-up with data collection after discharge. This pilot program will continue to support the YRTC's ability to support the IHS Strategic Plan *Goal 1 to ensure comprehensive, culturally appropriate personal and public health services are available and accessible to American Indian and Alaska Native people.* Particularly, in the recovery from alcohol and substance use disorders.

The strategic goal is to support Tribal programs and UIOs in their continued substance abuse prevention, treatment, and infrastructure development. These efforts represent an innovative partnership with IHS to deliver services developed by the communities themselves, with a national support network for ongoing program development and evaluation.

Substance use disorders continue to rank high on the concern list of Tribal partners. IHS believes that a shift in emphasis to earlier intervention is required to be successful in reducing the consequences of substance use disorders. IHS proposes focusing on early intervention with adolescents and young adults and preventing further progression by recognizing and responding to the source of the abuse.

IHS continues to support the integration of substance use disorder treatment into primary care and emergency services through its activities to implement the *Strategy*. Integrating treatment services into outpatient primary care offers opportunities for healthcare providers to identify patients with substance use disorders, provide them with medical advice, help them understand the health risks and consequences, and refer patients with more severe substance use-related problems to treatment.¹ One integration activity is Screening, Brief Intervention, and Referral to Treatment (SBIRT), which is an early intervention and treatment service for people with substance use disorders and those at risk of developing these disorders.

IHS has increased efforts to implement the SBIRT across IHS facilities as an evidence-based practice to identify patients with alcohol related problems. The SBIRT is a Government Performance and Results Act (GPRA) measure that IHS reports annually. In FY 2020, the SBIRT was administered at 12.8 percent for AI/AN ages 9-75, exceeding the target of 12.2 percent screened. IHS promotes the use of this clinical process by training providers in clinical and community settings. IHS currently offers 10 SBIRT on-demand trainings. SBIRT is

¹ ONDCP. Integrating Treatment into Healthcare. Available at <http://www.whitehouse.gov/ondcp/integrating-treatment-and-healthcare>.

intended to meet the public health goal of reducing the harms and societal costs associated with risky use by reducing diseases, accidents, and injuries. As an additional resource, IHS developed an Alcohol and Substance Abuse Program webpage: <https://www.ihs.gov/asap/providers/sbirt/>.

The IHS requires all prescribers to conduct a full patient medical history and physical examination including review of the patient's current psychosocial status, any history of mental health or substance abuse concerns, and assessment for relevant signs of misuse or abuse of substances. Examination is done at the time of consideration of use of chronic opioid therapy and periodically during active pain management treatment. Patient screening surveys and urine drug tests are helpful in determining the risk of opioid misuse and guiding the frequency of ongoing monitoring. Screening surveys are incorporated into the triage/nurse screening process prior to seeing the clinician. IHS developed a Pain Management website: <https://www.ihs.gov/painmanagement/substancescreening/>.

Patients treated for substance use disorders often present with a need to address co-occurring mental disorders. In FY 2017, the IHS Division of Behavioral Health awarded 12 new grantees through the Behavioral Health Integration Initiative (BH2I), a nationally-coordinated grant program that provides funding to Tribes, Tribal organizations, UIOs and federal facilities to plan, develop, implement and evaluate behavioral health integration with primary care. In FY 2020, IHS continued funding for 12 IHS, tribal, and UIOs to integrate behavioral health with primary care services in their local health facilities. A primary goal of the BH2I is to formalize integration across the system, develop care teams, strengthen infrastructure, and enhance clinical processes including increased depression screenings in primary care clinics. Additionally, IHS contracted with a technical assistance (TA) provider to guide this pilot project through the implementation of their integrated care efforts with expertise from psychiatrists, primary care physicians, and social workers. Thus far, BH2I projects have reported successes such as new behavioral health integration policies and procedures including same day access to behavioral health providers within primary care and emergency room settings. Sites have also reported increased screening rates for depression, anxiety, trauma and early childhood development disabilities and reduction in wait times to see a mental health counselor and psychiatrist. In response to the COVID-19 pandemic, in FY 2020 IHS provided an additional year for all BH2I grantees. This final year will allow flexibility in the project period to complete proposed activities with a focus on meeting the needs of the community as well as developing sustainability plans for their work. In FY 2021, IHS will award approximately 15 new BH2I grantees, which will be on a five-year funding cycle through FY 2026. Additionally, IHS will contract with a technical assistance provider to support grantees with the implementation of integrated care efforts.

Reducing the Number of Drug Overdose Deaths:

Increasing Access to MAT Services:

In June 2019, IHS released the Special General Memorandum *Assuring Access to MAT* that requires Federal IHS Facilities to create an action plan to identify or create local medication assisted treatment resources and coordinate patient access to these services when indicated. Key components of these approaches include enhanced screening and early identification of Opioid Use Disorders; improved care coordination and patient referral for treatment; and workforce development strategies to increase education and resources surrounding using medications in the support of recovery.

The IHS has expanded access to harm reduction interventions that include increased access to the opioid overdose reversal medication, naloxone. Since 2015, the IHS has maintained an ongoing

collaboration with the Bureau of Indian Affairs (BIA) to train and provide naloxone to BIA Law Enforcement Officers (LEO) for responding to opioid overdoses. These initial efforts have evolved into a robust harm reduction strategy that includes a combination of policy and workforce development efforts. In March 2018, the IHS implemented a policy in the Indian Health Manual (Chapter 35) entitled *Prescribing and Dispensing of Naloxone to First Responders* to require IHS Federal pharmacies to provide naloxone to Tribal law enforcement agencies and other trained first responders. A revision to Chapter 35 was released in 2020 to further expand first responder definitions to community members and to reduce administrative reporting requirements related to requests for resupply. The IHS has also created a naloxone toolkit for tribal communities that includes a culturally responsive training video and a digital story from two LEOs involved in a naloxone 'save'. This toolkit also contains a train the trainer curriculum and standardized forms to support first responder initiatives. The IHS has also created sample protocols and pharmacist collaborative practice agreements to expand access to co-prescribed naloxone for patients on long-term opioid therapy or at increased risk for opioid overdose. In November 2019, the IHS developed and released a health education video that shared best and promising practices surrounding naloxone distribution and the way IHS and the Red Lake Nation are responding to the opioid crisis. A companion video was released in August 2020 that shares basic information related to opioids, naloxone, treatment and prevention.

The IHS has further adapted the toolkit and strategy to equip community first responders and paraprofessionals with training on opioid overdose response and naloxone. These expanded collaborations with local law enforcement and community first responders resulted in an initial pilot community-health naloxone train-the-trainer program to include naloxone distribution.

In FY 2018, buprenorphine and suboxone were added to the IHS Core Formulary. Buprenorphine and suboxone are common medications used to treat opioid use disorder. With these added to the Core Formulary, all IHS facilities with pharmacies have these medications readily available for their patients. Data related to buprenorphine and suboxone will be captured in reporting tools that will support regional-level efforts to better monitor MAT and SUD treatment across IHS.

The IHS does face challenges in providing MAT in certain sectors within Indian Country. The rural and frontier nature of where American Indians/Alaska Natives live creates barriers to accessing health facilities. This is especially evident in Alaska where patients often only have access to a community health aide serving within a village-based clinic, hours away by plane from a larger health center. Additionally, IHS has felt the impact of a declining supply of specific health professionals who could support the IHS workforce and address behavioral health needs. The IHS recognizes that telemedicine is one tool for increasing access to specialized medical services, such as MAT. The IHS has published a policy in the Indian Health Manual (Chapter 38) entitled Internet Eligible Controlled Substance Prescriber Designation to assure access to MAT using telemedicine models for remotely located Tribal members. In December 2019, the IHS processed the first tribal clinician application to receive this designation.

In August 2019, ninety-six community-health workers completed training as naloxone trainers for their tribal communities in one week.

Increase Mandatory Prescriber Education and Continuing Training on Best Practices and Current Clinical Guidelines:

The IHS implemented the "Chronic Non-Cancer Pain Management Policy" to promote appropriate pain management as a primary prevention tool. In February 2018, IHS released a revised policy to include clinical practice guidelines contained in the 2016 *CDC Guideline for*

Prescribing Opioids for Chronic Pain. This revised policy adopts CDC guidance and specifically requires IHS sites to establish and implement local chronic non-cancer pain protocols and procedures; requires prescribers to complete training on appropriate and effective use of controlled substance medications; and establishes the requirement to initiate opioid treatment as a shared decision between the prescriber and the patient to respect and support the patient's right to optimal pain assessment and management.

In May 2019, the IHS released its “*Recommendations for Management of Acute Dental Pain*” for prescribing opioids for acute pain secondary to common general dentistry conditions and procedures. These guideline limit opioid prescribing for patients who cannot safely use alternative pain medication. The guidelines also include a decision tree for pre- and post-operative pain management, as well as recommended dosage limits for analgesics based on the degree of anticipated operative pain. The IHS collaborated to create content for a five-part CEU webinar series to influence dental prescribing practices and enhance screening for substance use disorders in general dentistry.

The IHS has also implemented IHM Chapter 32 “State Prescription Drug Monitoring Programs” that establishes policy requirement for Federal facilities to participate with state-based Prescription Drug Monitoring Programs (PDMP). Controlled substance prescribers working in IHS federal-government-operated facilities must query state PDMP databases prior to prescribing opioids for pain treatment longer than seven days and periodically throughout chronic pain treatment. In FY 2019, IHS developed and released software programming to automate controlled substance dispensing reports to state-based PDMPs to near real-time reporting to improve the fidelity of IHS dispensing data in state PDMP databases. The IHS has been in preliminary planning and design discussions to evaluate feasibility of PDMP interoperability and integration into the IHS Electronic Health Record. These efforts support the IHS Strategic Plan *Goal 3, Objective 3.3 Modernize information technology and information systems to support data driven decisions.*

In March 2019, the IHS released the *Recommendations to the Indian Health Service on American Indian/Alaska Native Pregnant Women and Women of Childbearing Age with Opioid Use Disorder* developed in collaboration with the American College of Obstetricians and Gynecologists’ (ACOG) Committee on American Indian and Alaska Native Women’s Health. This resource will help providers improve maternal participation in early prenatal care, improve screening for substance use disorder, and increase access to MAT for pregnant women and women of child-bearing age. The goal of these clinical recommendations is to foster relationships and improve awareness surrounding trauma-informed approaches to maternal opioid use that may lead to recovery, hope, and healing. Additionally, the IHS and the American Academy of Pediatrics Committee on Native American Child Health (CONACH) recently released the *Recommendations to the Indian Health Service on Neonatal Opioid Withdrawal Syndrome* that includes clinical recommendations on the prevention and management of neonatal opioid withdrawal syndrome. These recommendations provide standards of care for screening, diagnosing, support, and treatment of pregnant mothers and infants affected by prenatal opioid exposure. In August 2019, the IHS developed and released two additional Clinical Reporting System measures to track implementation of the ACOG recommendations and substance use disorder screening in women of childbearing age.

Proper Pain Management and Opioid Stewardship Training:

The IHS has created and released a comprehensive Opioid Stewardship workbook to assist sites with creating best practices surrounding safe opioid prescribing recommendations and increasing

access to integrative pain treatments. The workbook emphasizes utilizing opioid surveillance strategies to evaluate population health outcomes, target opioid interventions, enhance clinical decision support, and create professional practice evaluation strategies. In August 2019, the IHS developed data definitions to support creation of an opioid prescribing surveillance dashboard that will assist with the analysis of opioid-related data on national and regional levels. The IHS opioid stewardship program evaluation considers metrics that evaluate trends in Morphine Milligram Equivalents versus a restricted focus on total opioid prescription fills, include analysis of risk reduction strategies with co-prescribed naloxone, and monitor patient conversion to chronic opioid therapy. These efforts support the IHS Strategic Plan *Goal 3, Objective 3.3 Modernize information technology and information systems to support data driven decisions.*

The IHS has also recently facilitated dedicated access to tele-consultation services for IHS clinicians to receive on-demand substance use expert recommendations and tailored clinical guidance for IHS healthcare providers of all experience levels. This service is also available to assist IHS health systems with creating clinic policies and procedures to support creation of integrated MAT services in IHS facilities.

In May 2016, the IHS implemented a policy on mandatory opioid training requiring all federally controlled substance prescribers to complete the “IHS Essential Training on Pain and Addiction” with required refresher training every 3 years. This training is now available on demand with continuing education credits. The IHS released its Refresher training course in January 2018, including four sessions of its mandatory five-hour training course for providers on proper opioid prescribing. In FY 2020, 355 participants completed this course. The mandate also includes an additional refresher training after three years. In FY 2020, 289 participants completed the Essential Training on Pain and Addiction Refresher course. This course will be updated in FY 2021.

The IHS has also created a robust workforce development strategy to include didactic training. In September 2019, the IHS launched its Pain Management and Opioid Use Disorder Continuing Medical Education series. The IHS has hosted learning sessions in this series that include buprenorphine prescribing in pregnancy as well as a live instructor-led auricular acupuncture-training program, implementation of MAT programs, management of co-occurring disorders, and initiating Buprenorphine in the acute care setting. Future sessions include an intensive training program related to the management of substance use disorders for advanced practice pharmacists and additional content surrounding integrated MAT models.

In FY 2020, IHS provided three webinars that addressed pain management and opioids, and opioid misuse with a total of 326 attendees.

- Implementing an Integrated MAT Model - A Review of Resources
- Assessment and Treatment of Pain and Co-Occurring Opioid Use Disorder in Individuals with Serious Mental Illness.
- Treatment of OUD in the ED, Should it be a Choice?

In FY 2020, IHS provided three on-demand trainings on Neonatal Opioid Withdrawal Syndrome (NOWS).

- Prenatal Opioid Exposure: Opioid Effects on the Developing Fetus and Neonatal Opioid Withdrawal Syndrome.
- Prenatal Opioid Exposure: Effects in Early Childhood
- Prenatal Opioid Exposure: Interventions

Enhanced communication during the opioid crisis response is vital to program development, policy implementation, and ongoing evaluation. The IHS created an Opioid Information Sheet that serves as a public-facing logic model to share opioid-related measure, agency goals, and available resources for both clinicians and tribal stakeholders. The IHS opioid strategy and a host of available resources is housed on two IHS webpages that support a unified user experience in addition to publication of a quarterly opioid newsletter.

The IHS collaborated in FY 2018 with the CDC to participate in the CDC Opioid Quality Improvement Collaborative to implement five opioid quality improvement measures at four IHS sites. Communication to employees and stakeholders involving best and promising practices and resources addressing pain management and addiction is achieved through our expanded internet presence. The IHS released a combined website for opioids in FY 2018 located at: www.ihs.gov/opioids.

In August 2020, the IHS released new clinical decision support tools for RPMS to assist providers in meeting documentation standards outlined in IHM, Part 3 – Chapter 30. The EHR reminders and dialogue note templates facilitate accurate and timely documentation to support patient care and the pain management policy. The tools also address OIG findings from a recent IHS prescribing review.

Increase Prescription Drug Monitoring Program (PDMP) Interoperability and Usage:

The IHS is working to improve public health data surveillance and reporting and has developed a data reporting system that will provide prescribing and diagnosis data on national and regional levels. This will enable IHS to track emerging trends, evaluate changes in prescribing practices, monitor overdose rates and emergency department utilization, and assess changes with access to MAT. The IHS will evaluate expanded partnerships and data-related resources with other Federal partners and Tribal Epidemiology Centers in FY 2019. These reporting and surveillance tools will strengthen IHS program management and operations by improving communication within the organization with Tribes, Urban Indian Organizations, and other stakeholders, and with the general public Strategic Plan Goal 3, Objective 3.1 *Improve communication within the organization, Tribes, Urban Indian Organizations, and other stakeholders, and with the general public.*

Finally, in 2019 IHS hosted the National Combined Councils Meeting (NCC), an agency wide meeting which provides opportunities for multidisciplinary collaboration focusing on the clinical and administrative needs of the agency. In addition, this meeting offers an opportunity to provide continuing education trainings for healthcare providers, and previous session topics included: 1) Addressing the Opioid Crisis in Indian Country, 2) Exploring Best Practices in Chronic Pain Management, and 3) Evaluating Options for Creating and Sustaining Integrated Primary Care MAT Models. IHS also provided a 4.25 hour training, titled “Prescriber Data Waiver Training.” This training session assisted participants with meeting the SAMHSA and DEA requirements to apply for a DATA waiver to prescribe buprenorphine in the treatment of opioid use disorder. Due to the COVID-19 pandemic, the 2020 NCC was cancelled however IHS will resume NCC meetings and activities in FY 2021.

Reducing Availability of Illicit and Dangerous Drugs:

The IHS supports the safe and effective disposal of unused pharmaceuticals at the enterprise level through the provision of reverse distributor services at Federal pharmacies for unopened expired

controlled substances. The agency has participated in interagency efforts to support proper collection and disposal of pain medications.

I/T/U pharmacies have continued to enroll as DEA collectors and to participate in prescription drug disposal efforts. IHS collaborated with the State of North Dakota to achieve 100 percent of IHS sites in the state (both Federal and Tribal) to be registered as DEA collectors. In FY 2019, the IHS expanded patient level disposal through the addition of 29 Federal Pharmacy sites as registered DEA controlled substance collectors. This included funding for supplies and technical assistance with DEA requirements.

On the IHS pain management website, IHS provides resources for tribal and urban Indian communities on Take-Back Event, Permanent Collection Sites, Mail-Back Programs and Environmentally Safe Options from Home. The website also has two sessions focused on safe storage of medications and medication disposal for providers on proper opioid disposal.

<https://www.ihs.gov/painmanagement/disposal/patientdisposal/>

[REDACTED]

AI/AN people who live in urban centers present a unique morbidity and mortality profile. Urban AI/AN populations suffer disproportionately higher mortality from certain causes in sharp contrast to mainstream society. These unique challenges require a targeted response. Existing UIOs see their efforts in health education, health promotion, and disease prevention as essential to impacting the behavioral contributors to poor health²:

- Alcohol-induced death rates are 2.8 times greater for urban AI/AN people than urban all races.
- Chronic liver disease death rates are 2.1 times greater for urban AI/AN people than urban all races.
- Accidents and external causes of death rates are 1.4 times greater for urban AI/AN people than urban all races.

Alcohol and drug-related deaths continue to plague urban AI/AN people. Alcohol-induced mortality rates for urban AI/AN people are markedly higher than for urban all races. All regions, with the exception of eastern seaboard cities in the Nashville Area, show dramatically higher rates for urban AI/AN people than for urban all races who live in the same communities: the Billings Area is 4 times greater, the Phoenix Area is 6 times greater, the Tucson Area is 6.7 times greater, and the Great Plains Area has a 13.4 times greater alcohol-induced rate of mortality.³

² Indian Health Service, Report to Congress: New Needs Assessment of the Urban Indian Health Program and the Communities it Services at 10 (Mar. 31, 2016) (hereinafter New Needs Assessment), available at https://www.ihs.gov/urban/includes/themes/newihs/theme/display_objects/documents/ReportToCongressUrbanNeedsAssessment.pdf.

³ Ibid.

Urban AI/AN populations are more likely to engage in health risk behaviors. Urban AI/AN people are more likely to report heavy or binge drinking than all-race populations and urban AI/AN people are 1.7 times more likely to smoke cigarettes. Urban AI/AN people more often view themselves in poor or only fair health status, with 22.6 percent reporting fair/poor health as compared to 14.7 percent of all races reporting as fair/poor.

Fetal alcohol spectrum disorders is a term used to describe a range of effects that can occur in someone whose mother consumed alcohol during pregnancy. Fetal alcohol spectrum disorders include disorders such as fetal alcohol syndrome, alcohol-related neuro developmental disorder, and alcohol-related birth defects. Interventions are needed in urban centers to address prevention efforts for urban AI/AN people with fetal alcohol spectrum disorders. The IHS policy that requires the IHS to confer with UIOs "to develop and implement culturally sensitive assessment and diagnostic tools including dysmorphology clinics and multidisciplinary fetal alcohol spectrum disorders clinics for use in Indian communities and urban centers." Heavy drinking during pregnancy can cause significant birth defects, including fetal alcohol syndrome. Fetal alcohol syndrome is the leading and most preventable cause of intellectual disability. The rates of fetal alcohol syndrome are higher among AI/AN people than the general population. Screening with intervention has been shown to be effective in reducing alcohol misuse in pregnancy and to reduce the incidence of fetal alcohol syndrome.

The UIOs emphasize integrating behavioral health, health education, health promotion, and disease prevention into primary care offered within a culturally appropriate framework, which leads to positive outcomes for urban AI/AN people. Urban AI/AN people in need of substance use disorder treatment commonly exhibit co-occurring disorders. UIOs have recognized the need for more mental health and substance use disorder counselors to adequately address the needs presented by AI/AN people with co-occurring disorders. Stakeholders reported the need for more age and gender-appropriate resources for substance use disorder outpatient and residential treatment. While male AI/AN people can encounter wait times for treatment admission up to six months, treatment options for youth, women, and women with children can be greater than six months. Some of the most successful AI/AN treatment programs for youth, women, and women with children are administered by UIOs. Affecting lifestyle changes among urban AI/AN families requires a culturally sensitive approach. UIOs have operated culturally appropriate initiatives to reduce health risk factors. The continued efforts of UIOs to target behavioral or lifestyle changes offer the best hope for impacting the major health challenges of the urban AI/AN population.

The IHS has contracts and grants with 41 UIOs to provide health care and referral services for Urban Indians in 22 states. These IHS contracts and grants with UIOs address the *IHS Strategic Plan Goal 1 by ensuring that comprehensive, culturally appropriate personal and public health services are available and accessible to AI/AN people. Awarding of these contracts and grants to UIOs also addresses HHS Strategic Plan Goal 2, Objective 2.3, to reduce the impact of mental and substance use disorders through prevention, early intervention, treatment, and recovery support.* UIOs provide high quality, culturally relevant prevention, early intervention, outpatient and residential substance abuse treatment services, and recovery support to address the unmet needs of the Urban Indian communities they serve. Social determinants of health play a key role in health and wellness and UIOs are addressing a range of factors which contribute to improved health outcomes.

According to the most recent urban Indian data, 76,760 AI/AN patients access services through UIO programs. Also, UIOs performed 729,888 visits for AI/AN patients including medical,

dental, behavioral health, other professional and enabling services directly or by paid referral. Data also indicates that members from 529 of the 574 (92 percent) federally recognized Tribes accessed services from at least one of the 41 UIOs.

In FY 2021, the IHS Office of Urban Indian Health Programs awarded 4-in-1 grants to 33 UIOs. The grantees are awarded for a three-year funding cycle from April 1, 2019 - March 31, 2022. These grants provide funding to UIOs to make health care services more accessible for AI/ANs residing in urban areas. Funding is used to support four health program areas: health promotion and disease prevention services; immunization services; alcohol and substance abuse related services; and mental health services. Grantees are required to participate in a national evaluation of the 4-in-1 grant program, which addresses *IHS Strategic Plan Goal 2 to promote excellence and quality through innovation of the Indian health system into an optimally performing organization*. The national evaluation includes reporting on the cultural interventions integrated into the 4-in-1 program activities, and practice based and evidence based approaches that are implemented or modified to meet the needs of the Urban Indian service population. *These grants expand safe, high quality healthcare options, and encourage innovation and competition, which meets HHS Strategic Plan Goal 1, Objective 1.2.*

PERFORMANCE

Information regarding the performance of the drug control efforts of IHS are based on agency GPRA/GPRAMA documents and other information that measure the agency’s contribution to the *Strategy*.

In FY 2023, the IHS will track the number of unique patients receiving office-based MAT (buprenorphine or naltrexone) within the Indian Healthcare System. The IHS will continue to track the number of naloxone prescriptions as part of efforts to increase access to naloxone.

The table and accompanying text below represent highlights of IHS achievements during FY 2020, the latest year for which data are available. The selected performance measures reported in the table provide targets and results from both Tribally Operated Health Programs and Federally Administered Health Programs.

Indian Health Service		
Selected Measures of Performance	FY 2020 Target	FY 2020 Achieved
» Universal Alcohol Screening	42.4%	37.1%
» Accreditation rate for Youth Regional Treatment Centers in operation 18 months or more	100%	100%
» Report on number of emergency department patients who receive SUD intervention	40,781	44,451
» Report on number of SUD services in primary care clinics	145,006	137,907

To provide more comprehensive routine screening, IHS retired the alcohol screening measure for female patients and expanded the new alcohol screening measure to include all patients 9 through 75 years of age. The FY 2020 universal alcohol screening target of 42.4 percent was not met with final results achieving 37.1 percent screened.

The accreditation measure for YRTC's reflects an evaluation of the quality of care associated with accreditation status by either The Joint Commission, the Commission on Accreditation of Rehabilitation Facilities (CARF), state certification, or regional Tribal health authority certification. For youth with substance use disorders, the YRTC's provide invaluable treatment services. In FY 2020, all YRTC's in operation 18 months or longer achieved accreditation status.

The IHS monitors two program measures on the number of SUD encounters provided in emergency departments and primary care clinics. The final results for the FY 2019 number of SUD encounters provided in emergency department was 44,451 while SUD encounters provided in primary care clinics totaled 137,907. IHS monitors the overall SUD encounters provided in all clinical settings across the health system to aid in promoting integrated substance use disorder services. The final results for FY 2020 SUD intervention services provided across all I/T/U clinics that report in the IHS national data warehouse was 718,873 encounters.



January 10, 2022

TO: Director Office of National Drug Control Policy

FROM: Jillian Curtis
Chief Financial Officer Indian Health Service

SUBJECT: Indian Health Service Budget Formulation Compliance Report for FY 2023

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, I make the following assertions regarding the attached Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

I assert that the summer drug budget submitted to ONDCP was provided to ONDCP at the same time as the budget request was submitted to our superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.



December 27, 2021

MEMORANDUM TO: Director Office of National Drug Control Policy

THROUGH: Sheila Conley
Deputy Assistant Secretary of Finance
Department of Health and Human Services

FROM: Judit O'Connor
Chief, Financial Management Branch
National Institute on Alcohol Abuse and Alcoholism

SUBJECT: Budget Formulation Compliance Report for FY 2023

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, I make the following assertions regarding the attached Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

I assert that the summer drug budget in response to ONDCP Circular Budget formulation, Section 9.a.(1) was submitted to ONDCP on June 22, 2021 in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission represents the funding levels in the budget submission made by the National Institute on Drug Abuse without alteration or adjustment by any official at the Department.

Drug Control Program
Department of Health and Human Services
National Institutes of Health (NIH)

(Dollars in millions)

Resource Summary	FY 2021 Final	FY 2022 Budget Request
Drug Resources by Function		
Research and Development: Prevention	\$592,103	\$609,092
Research and Development: Treatment	\$948,818	\$1,306,604
Total, Drug Resources by Function	\$1,540,921	\$1,915,696
Drug Resources by Decision Unit		
National Institute on Drug Abuse (NIDA)		
Research and Development: Prevention	\$538,799	\$555,751
Research and Development: Treatment	\$937,006	\$1,296,752
Total, National Institute on Drug Abuse (NIDA)	\$1,475,805	\$1,852,503
National Institute on Alcohol Abuse and Alcoholism (NIAAA)		
Research and Development: Prevention	\$53,304	\$53,341
Research and Development: Treatment	\$11,812	\$9,852
Total, National Institute on Alcohol Abuse and Alcoholism (NIAAA)	\$65,116	\$63,193
Total Funding	\$1,540,921	\$1,915,696
Drug Resources Personnel Summary		
Total FTEs (direct only)	389	388
Drug Resources as a Percent of Budget		
Total Agency Budget (<i>in billions</i>)	\$41,391	\$50,540
Drug Resources Percentage	3.72%	3.79%



December 27, 2021

MEMORANDUM TO: Director Office of National Drug Control Policy

THROUGH: Sheila Conley
Deputy Assistant Secretary of Finance
Department of Health and Human Services

FROM: Judit O'Connor
Chief, Financial Management Branch
National Institute on Alcohol Abuse and Alcoholism

SUBJECT: Assertions Concerning Drug Control Accounting

In accordance with the requirements of the Office of National Drug Control Policy Circular National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, I make the following assertions regarding the attached annual accounting of drug control funds:

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the National Institutes of Health (NIH) financial accounting system for this budget decision unit after using the National Institute on Alcohol Abuse and Alcoholism's (NIAAA) internal system to reconcile the NIH accounting system during the year.

Methodology

I assert that the methodology used to calculate obligations of prior year budgetary resources by function for the institute was reasonable and accurate in accordance with the criteria listed in Section 7 of the Circular. Obligations of prior year underage drinking control budgetary resources are calculated as follows:

The NIAAA prevention and treatment components of its underage drinking research are included in the ONDCP drug control budget. Underage drinking research is defined as research that focuses on alcohol misuse and alcohol use disorder in minors (youth under the legal drinking age of 21). It includes all alcohol related research involving youth, including behavioral research, screening and intervention studies, and longitudinal studies, with the exception of research on fetal alcohol spectrum disorders resulting from alcohol use by the mother during pregnancy. Beginning with the reporting of FY 2010 actual obligations, NIAAA's methodology for

developing budget numbers uses the NIH research categorization and disease coding (RCDC) fingerprint for underage drinking that allows for an automated categorization process based on electronic text mining to make this determination. Once all underage drinking projects and associated amounts are determined using this methodology, NIAAA conducts a manual review and identifies just those projects and amounts relating to prevention and treatment. Contract expenditures supporting underage prevention activities are also included. This subset makes up the NIAAA ONDCP drug control budget. Prior to FY 2010, there was no validated fingerprint for underage drinking, and the NIAAA methodology was completely dependent upon a manual review by program officers.

Application of Methodology

I assert that the drug methodology described in this section was the actual methodology used to generate the table required by Section 7 of the Circular.

Reprogramming or Transfers

I assert that NIAAA did not reprogram or transfer any funds included in its drug control budget.

Fund Control Notices

I assert that the obligation data presented are associated against a financial plan that complied fully with all Fund Control Notices issued by the Director under 21 U.S.C. 1703(f) and with ONDCP Circular *Budget Execution*.

**NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM FY 2021 ACTUAL OBLIGATIONS
(Dollars in Thousands)**

	FY 2021 Actuals
Drug Resources by Function:	
Research and Development Prevention	\$53,304
Research and Development Treatment	\$11,812
Total	65,116
Drug Resources by Decision Unit:	
National Institute on Alcohol Abuse and Alcoholism	65,116
Total	65,116

(1) **Drug Methodology** – Actual obligations of prior year drug control budgetary resources are derived from the NIH research categorization and disease coding (RCDC) fingerprint for underage drinking and a manual review to identify projects related to prevention and treatment.

(a) **Obligations by Budget Decision Unit** – NIAAA’s budget decision units have been defined by ONDCP Circular, Budget Formulation, dated September 9, 2021. NIAAA reports only a portion of the budget dedicated to treatment and prevention to ONDCP. This unit is referred to as:

- National Institute on Alcohol Abuse and Alcoholism

(b) **Obligations by Drug Control Function** – NIAAA distributes drug control funding into two functions, prevention and treatment:

- Research and Development Prevention
- Research and Development Treatment

(2) **Methodology Modifications** – none

(3) **Material Weaknesses or Other Findings** – none

(4) **Reprogrammings or Transfers** - none

(5) **Other Disclosures** - none



MEMORANDUM TO: Director
Office of National Drug Control Policy

THROUGH: Sheila Conley
Deputy Assistant Secretary of Finance
Department of Health and Human Services

FROM: Nathaniel Davis
Chief Financial Officer
National Institute on Drug Abuse

Nathaniel M. Davis -S
Digitally signed by
Nathaniel M. Davis -S
Date: 2021.12.23
12:21:49 -0500

SUBJECT: National Institute on Drug Abuse
FY 21 Detailed Accounting Report

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, I make the following assertions regarding the attached annual accounting of drug control funds:

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the NIH financial accounting system for this budget decision unit after using National Institute on Drug Abuse’s (NIDA) internal system to reconcile the NIH accounting system during the year. A table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function is included as part of Exhibit A.

Drug Methodology

I assert that the drug methodology used to calculate obligations of prior year budget resources by function for the institute was reasonable and accurate in accordance with the criteria listed in Section 7 of the Circular. In accordance with these criteria, I have documented data which support the drug methodology, explained and documented other estimation methods (the assumptions for which are subject to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived (See Exhibit B).

Obligations of prior year drug control budgetary resources are calculated as follows: FY 2021 actual obligations were determined by identifying NIDA support for projects that address drug prevention and treatment. Projects for inclusion in the ONDCP budget are identified from the NIDA coding system and database known as the “NEPS” system (NIDA

National Institute on Drug Abuse FY 21 Detailed Accounting Report

Extramural Project System) (See Exhibit C). Data are entered into this system by program staff. NIDA does not need to make any assumptions or estimates to isolate its total drug control obligations as the total appropriation is drug control.

NIDA obligations are allocated between prevention and treatment research based on the professional judgment of scientific program officials on specific grant and contract projects. These scientists review the grant application, project purpose and methodology, and/or progress report to determine whether the project meets NIDA's criteria for categorization as prevention or as treatment research. Projects are coded and entered into the NEPS system prior to funding.

As the supporter of most of the world's research on drug abuse and addiction, NIDA provides a strong science base for our Nation's efforts to reduce the abuse of drugs and their consequences. NIDA's comprehensive research portfolio addresses a broad range of drug abuse and addiction issues, ranging from the support of fundamental neurobiology to community-based research. As our Nation looks for science-based approaches to enhance its prevention and treatment efforts, NIDA's broad portfolio and its continuing efforts to work with other Agencies and NIH Institutes on a variety of transdisciplinary issues will provide the tools necessary to move these efforts forward. Research serves as the cornerstone of NIDA's efforts to disseminate research information and educate health professionals and the public, especially our Nation's youth, about the factors influencing drug use, its consequences, and about science-based and tested treatment and prevention techniques. These research and dissemination efforts to develop, test, and disseminate information on the basis of addiction, its consequences, and enhanced therapeutic techniques support the ONDCP Goal 3 (treatment). Efforts to enhance the science base and disseminate information on the factors that inhibit and facilitate drug use and its progression to addiction and other health consequences, and on science-based approaches for prevention interventions support the ONDCP Goal 1 (prevention).

NIDA's FY 2021 enacted budget was \$1,480,309,000 (\$1,210,014,000 for direct and \$270,295,000 for research relating to the Opioid Crisis) which was an increase of \$48,539,000 above the FY 2021 CJ requested amount. There was a permissive transfer out in the amount of \$4,442,000. NIDA obligated \$1,475,804,561 of the Annual Appropriation and \$62,439 lapsed.

Application of Drug Methodology

I assert that the drug methodology described in the preceding section was the actual methodology used to generate the table required by Section 7 of the Circular. Any differences between NIDA's actual obligations and the National Drug Control Strategy Budget summary number for FY 2021 are described above for the FY 2021 column of the FY 2022 PB.

Methodology Modifications

I assert that there were no changes in methodology from the previous year.

Material Weaknesses or Other Findings

I assert that that all material weaknesses or other findings by independent sources, which may

affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

Methodology Modifications

I assert that no modifications were made to methodology for reporting drug control resources from the previous year's reporting.

Reprogrammings or Transfers

I assert that the data presented are associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

Fund Control Notices

I assert that that the data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.

**NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE ON DRUG ABUSE
FY 2021 Actual Obligations
(Dollars in Thousands)**

I. RESOURCE SUMMARY - ANNUAL APPROP

	FY 2021 Actual
Drug Resources by Decision Unit:	
National Institute on Drug Abuse	1,475,805
Total	1,475,805
Drug Resources by Function:	
Research and Development Prevention	538,799
Research and Development Treatment	937,006
Total	1,475,805

**Differences Between (1) Actual Obligations and (2) the FY 21 Column of the
FY 22 CJ and the National Drug Control Strategy Budget Summary
(Dollars in Thousands)**

Total 2021 Column of the FY 2022 CJ; National Drug Control Strategy	1,480,309
Permissive Transfer	-4,442
Lapse of Funds	<u>-62</u>
Total Annual Obligations	1,475,805

National Institute on Drug Abuse FY 21 Detailed Accounting Report

**NATIONAL INSTITUTES OF HEALTH
National Institute on Drug Abuse**

Amounts Available for Obligation¹
(Dollars in Thousands)

Source of Funding	FY 2020 Final	FY 2021 Enacted	FY 2022 President's Budget
Appropriation	\$1,462,016	\$1,479,660	\$1,852,503
Mandatory Appropriation: (non-add)			
Rescission	0	0	0
Sequestration	0	0	0
Secretary's Transfer	0	0	0
Subtotal, adjusted appropriation	\$1,462,016	\$1,479,660	\$1,852,503
OAR HIV/AIDS Transfers	-4,292	649	0
HEAL Transfer from NINDS	0	0	0
Subtotal, adjusted budget authority	\$1,457,724	\$1,480,309	\$1,852,503
Unobligated balance, start of year	0	0	0
Unobligated balance, end of year	0	0	0
Subtotal, adjusted budget authority	\$1,457,724	\$1,480,309	\$1,852,503
Unobligated balance lapsing	-41	0	0
Total obligations	\$1,457,683	\$1,480,309	\$1,852,503

¹ Excludes the following amounts (in thousands) for reimbursable activities carried out by this account:
FY 2020 - \$79,270 FY 2021 - \$112,158 FY 2022 - \$112,557

Exhibit B

- (1) **Drug Methodology** – Actual obligations of prior year drug control budgetary resources are derived from the NIDA Extramural Project System (NEPS) and the NIH nVision Balance of Accounts Report.
 - a. **Obligations by Budget Decision Unit** – NIDA’s budget decision units have been defined by ONDCP Circular, Budget Formulation, dated September 9, 2021. NIDA reports its entire budget to ONDCP. This unit is referred to as:
 - National Institute on Drug Abuse
 - b. **Obligations by Drug Control Function** – NIDA distributes drug control funding into two functions - prevention and treatment:
 - Research and Development Prevention
 - Research and Development Treatment
- (2) **Methodology Modifications** – none
- (3) **Material Weaknesses or Other Findings** – none
- (4) **Reprogrammings or Transfers** - The obligation data presented are associated against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP’s approval of reprogrammings or transfers affecting drug-related resources in excess of \$1 million that occurred during the fiscal year.
- (5) **Other Disclosures** - none

ATTACHMENT

Exhibit C

NIDA Extramural Project System (NEPS) Description

The NIDA Extramural Project System (NEPS) was introduced in 2002 and serves as the electronic financial management data collection and reporting system for extramural grants and contracts. The system is used exclusively by the National Institute on Drug Abuse (NIDA) but integrates data pulled from the National Institutes of Health (NIH) enterprise system known as IMPAC II (Information for Management, Planning, Analysis and Coordination).

In the NEPS system we can track planned, committed and awarded projects; code and track projects as having relevance to drug treatment and prevention research; generate standard and ad hoc reports on planned and actual spending; produce funding plans; develop future year spending estimates; code projects for substances of abuse, program crosscuts and HIV/AIDS relevance; and solicit and approve grants funding requests.

NEPS is used to report actual obligations for NIDA and the data is validated with the NIH nVision Balance of Accounts and Query View Report (QVR) electronic systems.



MEMORANDUM TO: Director
Office of National Drug Control Policy

THROUGH: Sheila Conley
Deputy Assistant Secretary of Finance
Department of Health and Human Services

FROM: Nathaniel Davis
Chief Financial Officer
National Institute on Drug Abuse

SUBJECT: National Institute on Drug Abuse
Budget Formulation Compliance Report for FY 2023

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, I make the following assertions regarding the attached Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

I assert that the summer drug budget in response to ONDCP Circular Budget formulation, Section 9.a.(1) was submitted to ONDCP on June 22, 2021 in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission represents the funding levels in the budget submission made by the National Institute on Drug Abuse without alteration or adjustment by any official at the Department.

National Institute on Drug Abuse Budget Formulation Compliance Report for FY 2023

Drug Control Program Department of Health and Human Services National Institutes of Health (NIH) <i>(Dollars in millions)</i>		
Resource Summary	FY 2021 Final	FY 2022 Budget Request
Drug Resources by Function		
Research and Development: Prevention	\$592,103	\$609,092
Research and Development: Treatment	\$948,818	\$1,306,604
Total, Drug Resources by Function	\$1,540,921	\$1,915,696
Drug Resources by Decision Unit		
National Institute on Drug Abuse (NIDA)		
Research and Development: Prevention	\$538,799	\$555,751
Research and Development: Treatment	\$937,006	\$1,296,752
Total, National Institute on Drug Abuse (NIDA)	\$1,475,805	\$1,852,503
National Institute on Alcohol Abuse and Alcoholism (NIAAA)		
Research and Development: Prevention	\$53,304	\$53,341
Research and Development: Treatment	\$11,812	\$9,852
Total, National Institute on Alcohol Abuse and Alcoholism (NIAAA)	\$65,116	\$63,193
Total Funding	\$1,540,921	\$1,915,696
Drug Resources Personnel Summary		
Total FTEs (direct only)	389	388
Drug Resources as a Percent of Budget		
Total Agency Budget (<i>in billions</i>)	\$41,391	\$50,540
Drug Resources Percentage	3.72%	3.79%



Substance Abuse and Mental Health
Services Administration

5600 Fishers Lane • Rockville, MD 20857

www.samhsa.gov • 1-877-SAMHSA-7 (1-877-726-4727)



Date: December 27, 2021

To: Director
Office of National Drug Control Policy (ONDCP)

Through: Deputy Assistant Secretary for Finance
Department of Health and Human Services

From: Chief Financial Officer
Substance Abuse and Mental Health Services Administration

Subject: Detailed Accounting Report

In accordance with the requirements of the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*, dated September 09, 2021, I make the following assertions regarding the attached annual accounting of drug control funds:

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from SAMHSA's accounting system of record for these budget decision units.

Drug Methodology

I assert that the drug methodology used to calculate obligations of prior-year budgetary resources by function for SAMHSA was reasonable and accurate in accordance with the criteria listed in Section 7a (1) of the Circular. In accordance with these criteria, I have documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

(See Exhibit A)

Application of Drug Methodology

I assert that the drug methodology disclosed in Exhibit A was the actual methodology used to generate the table required by Section 7a.

Material Weaknesses or Other Findings

I assert there are no material weaknesses or other findings from previous years reporting.

Methodology Modifications

I assert there are no methodology modifications for reporting drug control resources from previous year's reporting.

Reprogramming or Transfers

I assert there were no reprogramming or transfers from previous year's reporting.

Fund Control Notices

I assert that the data presented are associated with obligations against SAMHSA's operating plan, which complied fully with all ONDCP Budget Circulars.

Kurt E. John

Digitally signed by Kurt
E. John
Date: 2021.12.28
13:26:24 -05'00'

Kurt John
Acting, Chief Financial Officer

Attachments

- FY 2021 Drug Control Obligations
- FY 2021 Exhibit A – Drug Control Methodology

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION
FY 2021 Drug Control Obligations
(Dollars in millions)

Drug Resources by Decision Unit and Function

Programs of Regional and National Significance (PRNS)	
Prevention ¹	207.8
Treatment ¹	1,992.80
Total, PRNS	\$2,200.6
Substance Abuse Prevention and Treatment Block Grant (SABG)	
Prevention ²	369
Treatment ²	1,475.94
Total, SABG	\$1,844.9
Health Surveillance and Program Support (HSPS)	
Prevention ³	21.73
Treatment ³	86.9
Total, HSPS	\$108.6
Total Funding	\$4,154.2
Drug Resources Personnel Summary	
Total Full Time Equivalents (FTEs) ⁴	314
Drug Resources as a Percent of Budget	
Total Agency Budget (in billions)	\$6.0
Drug Resources Percentage	69.4%

Footnotes:

¹ PRNS obligations reflect direct obligations against SAMHSA budget authority. Reimbursable obligations are not included, as these funds would be reflected in the obligations of the agency providing the reimbursable funds to SAMHSA. Substance Abuse Treatment PRNS obligations include funds provided to SAMHSA from the PHS evaluation fund. Treatment include State Opioid Response Grants.

² Substance Abuse Prevention and Treatment Block Grant obligations include funds provided to SAMHSA from the PHS evaluation fund.

³ HSPS obligations reflect direct obligations against SAMHSA budget authority. Reimbursable obligations are not included, as these funds would be reflected in the obligations of the agency providing the reimbursable funds to SAMHSA. HSPS obligations include funds provided to SAMHSA from the PHS evaluation fund.

⁴ SAMHSA's FY 2021 final FTE (453) * Drug Resources Percentage (69.4%) = 314 Drug Resources FTE.

Exhibit A
Drug Control Methodology

1) Drug Methodology - Actual obligations of drug control budgetary resources are derived from the SAMHSA Unified Financial Management System (UFMS), Program Support Center (PSC), Status of Funds by Allotment and Allowance Report.

- a. **Obligations by Budget Decision Unit** – SAMHSA’s budget decision units have been defined by ONDCP Circular, *Budget Formulation*, dated October 22nd, 2019. These units are:
- Programs of Regional and National Significance (PRNS)-Prevention (CSAP);
 - Programs of Regional and National Significance (PRNS)-Treatment (CSAT);
 - Substance Abuse Prevention and Treatment Block Grant-CSAT/CSAP; and
 - Health Surveillance and Program Support ¹ – SAMHSA.

Included in this Drug Control Accounting report for FY 2021 are 100 Percent of the actual obligations for these four budget decision units, minus reimbursements. Obligations against funds provided to SAMHSA from the PHS evaluation fund are included.

- b. **Obligations by Drug Control Function** – SAMHSA distributes drug control funding into two functions, prevention and treatment:

Prevention: This total reflects the sum of the actual obligations for

- CSAP’s PRNS direct funds, excluding reimbursable authority obligations;
- 20 percent of the actual obligations of the SABG funds, including obligations related to receipt of PHS evaluation funds;
- Of the portion from SAMHSA HSPS funds, including obligations related to receipt of PHS evaluation funds and Prevention and Prevention and Public Health Funds (PPHF), the assumptions are as follows:
 - Public Awareness and Support (PAS) funds were split 50/50 between Substance Abuse (SA) and Mental Health (MH) and 20 percent of the SA portion is considered Prevention;

¹ The HSPS appropriation funded activities are split between MH and SA as follows: Program Support, Health Surveillance, and Performance and Quality Information Systems (PQIS) are split the same percentage split as between MH and SA appropriations. PAS and Agency-wide are split 50/50 between MH and SA. The subsequent SA amounts are then divided into 20 percent for Prevention and 80 percent for Treatment

- PQIS funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 20 percent of the SA portion is considered Prevention;
- Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 20 percent of the SA portion is considered Prevention;
- Health Surveillance funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 20 percent of the SA portion is considered Prevention; and
- Behavioral Health Workforce Data and Development split 50/50 between SA and MH and 20 percent of the SA portion is considered Prevention.

Treatment: This total reflects the sum of the actual obligations for:

- CSAT's PRNS direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS Evaluation funds;
- 80 percent of the actual obligations of the SABG funds, including obligations related to receipt of PHS Evaluation funds; and,
- Of the portion from SAMHSA HSPS funds, including obligations related to receipt of PHS evaluation funds and PPHF, the assumptions are as follows:
 - PAS funds were split 50/50 between SA and MH and 80 percent of the SA portion is considered treatment
 - PQIS funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 80 percent of the SA portion is considered Treatment;
 - Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 80 percent of the SA portion is considered Treatment;
 - Health Surveillance Funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 80 percent of the SA portion is considered Treatment; and
 - Behavioral Health Workforce Data and Development split 50/50 between SA and MH and 80 percent of the SA portion is considered Treatment.



Substance Abuse and Mental Health
Services Administration

5600 Fishers Lane • Rockville, MD 20857

www.samhsa.gov • 1-877-SAMHSA-7 (1-877-726-4727)



Date: January 07, 2022

To: Director
Office of National Drug Control Policy (ONDCP)

Through: Deputy Assistant Secretary for Finance
Department of Health and Human Services

From: Chief Financial Officer
Substance Abuse and Mental Health Services Administration

Subject: SAMHSA Budget Formulation Compliance Report for FY 2023

In accordance with the requirements of the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*, dated September 09, 2021, I make the following assertions regarding the attached Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

I assert that the summer drug budget submitted to ONDCP on July 08, 2021, under the cover letter provided in response to Section 6.a.(1) ONDCP Circular: Budget Formulation, Section 9.a.(1) was provided to ONDCP at the same time as the budget request was submitted to the Department of Health and Human Services (DHHS) in accordance with 21 U.S.C. § 1703(c)(1)(A). (See Exhibit A)

Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

Digitally signed by Kurt E. John
Date: 2022.01.07 11:57:26 -05'00'

Kurt E. John
Kurt John
Acting, Chief Financial Officer

Attachment

- Exhibit A- FY 2023 Performance Budget Submission to DHHS

Exhibit A
FY 2023 Performance Budget Submission to DHHS

Substance Abuse and Mental Health Services Administration
Information on Drug Control Agency Programs

(Dollars in millions)

Resource Summary	FY 2021 Enacted	FY 2021 COVID-19 Supplemental	FY 2022 President's Budget	FY 2023	
Drug Resources by Decision Unit and Function					
Programs of Regional and National Significance					
Substance Abuse Prevention.....	\$208.22	\$0.00	\$216.67		
Substance Abuse Treatment.....	496.68	30.00	650.86		
Total Programs of Regional and National Significance.....	704.90	30.00	867.53		
State Opioid Response Grants.....	1,500.00	-	2,250.00		
Substance Abuse Prevention and Treatment Block Grant¹					
Prevention.....	371.62	630.00	701.62		
Treatment.....	1,486.46	2,520.00	2,806.46		
Total Substance Abuse Prevention and Treatment Block Grant.....	1,858.08	3,150.00	3,508.08		
Health Surveillance and Program Support²					
Prevention.....	22.46	-	24.13		
Treatment.....	89.84	-	96.53		
Total, Health Surveillance and Program Support.....	112.30	-	120.66		
Total Funding.....	4,175.27	3,180.00	6,746.27		
Drug Resources Personnel Summary					
Total FTEs	336	-	426		
Drug Resources as a Percent of Budget					
Total Agency Budget	6,017.01	3,180.00	9,734.01		
Drug Resources Percentage	69.4%	100.0%	69.3%		

¹The Substance Abuse Prevention and Treatment Block Grant is split 20% to the Prevention function and 80% to the Treatment function.

²The Health Surveillance and Program Support Appropriation funded activities are split between Mental Health and Substance Abuse as follows: The Drug Abuse Warning Network is allocated fully to substance abuse. Program Support, Health Surveillance and PQIS are split the same proportion as drug control to the overall SAMHSA budget as defined by the substance abuse portions divided by the mental health and substance abuse portions combined. Public Awareness and Support, Behavioral Health Workforce Data and Development and Data Request, TTA, Telehealth, and Publication User Fees are allocated 50% to drug control activities. The drug control total for HSPS after these calculations is allocated between Prevention (20%) and Treatment (80%).

Tab G



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

February 17, 2022

Mr. Jon Rice
Deputy Director
Office of National Drug Control Policy
Office of Performance and Budget

Dear Mr. Rice:

We are providing this letter in response to requirements pursuant to the Office of National Drug Control Circular: National Drug Control Program Agency Compliance Review (September 9, 2021).

The Department's Continuum of Care Homeless Assistance Grants program supports efforts to eliminate homelessness by financing local solutions that provide housing and supportive services on a short or long-term basis to those experiencing homelessness. While the Continuum of Care (COC) helps support recovery by providing housing resources, HUD does not have a specific appropriation for drug-related activities. Although a COC can utilize funds to help people with chronic substance abuse, they are not required to do so. HUD uses a methodology approved by ONDCP to estimate how many people may have been served with HUD funds based on application data.

We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2021 Budget Formulation Compliance, Detailed Accounting, and Performance Summary Report submission to ONDCP:

Written Assertion Requirements (ONDCP Regulations- Budget Formulation Compliance Submission)

1. The HUD FY 2023 Summer Drug Budget submission to ONDCP under cover letter provided in response to Section 6.a.(1) in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) was provided to ONDCP at the same time as that budget request was submitted to the Office of Budget, Office of the Chief Financial Officer in accordance with 21 U.S.C. 1703(c)(1)(A).
2. The HUD FY 2023 Summer Drug Budget submission to ONDCP under cover letter provided in response to Section 6.a.(2) in response to ONDCP Circular: Budget Formulation, Section 9.a.(2) was provided to ONDCP at the same time as that budget request was submitted to the Office of Budget, Office of the Chief Financial Officer in accordance with 21 U.S.C. 1703(c)(1)(A).
3. The funding request in the submission provided in Section 6.a.(2) of the ONDCP Circular National Drug Control Program Agency Compliance Review represent the funding levels in the budget submission made by the Office of Community Planning and Development to the Office

of Budget, Office of the Chief Financial Officer without alteration or adjustment by any official at the Department.

Written Assertion Requirements (ONDCP Regulations- Detailed Accounting Submission)

1. The drug methodology used to calculate obligations of prior year budgetary resources by function for all bureaus and by budget decision unit is based on reliable data in which the data's availability, timeliness, and relevance were considered.
2. The financial systems supporting the drug methodology yield data that fairly present, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.
3. The drug methodology described in the report was the actual methodology used to generate the required data table.
4. All material weaknesses, or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations have been disclosed.
5. Any modifications made to the methodology for reporting drug control resources from the previous year's reporting, if reported, were approved by the ONDCP.
6. The data presented is associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of reprogramming or transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. The data presented is associated with obligation against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 USC 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

Sincerely,



Jemine A. Bryon
Deputy Assistant Secretary
Office of Special Needs

Attachment

cc: James A. Jemison II, Principal Deputy Assistant Secretary, CPD
George Tomchick, Deputy Chief Financial Officer, F
Doug Angradi, Director, CPD Budget, DOTB

Norman Suchar, Director, SNAPS, DNS

Tonya Proctor, Deputy Director, SNAPS, DNS

William Snow, Specialist, SNAPS, DNS

Danielle Palmer, Financial Operations Analyst, CFO Funds Control Assurance Division, FMC

Emily M. Kornegay, Assistant CFO for Budget, FO

Mary Didier, Senior Budget Analyst, OCFO

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development FY 2021 Budget Formulation Compliance Report

SUMMER BUDGET INFORMATION

On July 2, 2021, the summer budget was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a. (1). HUD's Summer Drug Budget transmittal letter and resource summary table are found in the attached: Tab A

MANAGEMENT ASSERTIONS

The management assertions for HUD's accounting report are found in the attached: Tab B



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

July 2, 2021

Mr. Jon Rice
Deputy Director
Office of National Drug Control Policy
Office of Performance and Budget
1800 G. Street, NW
Washington, DC 20006-4403

Dear Mr. Rice:

We are providing this letter in response to requirements pursuant to the Office of National Drug Control Circular: National Drug Control Program Agency Compliance Review (October 22, 2019).

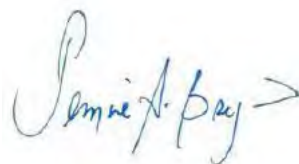
[REDACTED]

[REDACTED]

[REDACTED]

Thank you for your interest in the Department's programs.

Sincerely,

A handwritten signature in blue ink that reads "Jemine A. Bryon" followed by a right-pointing arrow.

Jemine A. Bryon
Deputy Assistant Secretary
Office of Special Needs

--START NEW DOCUMENT--

Department of Housing and Urban Development
FY 2021 Detailed Accounting Report

Resource Summary

	Budget Authority (in millions) FY 2021 Enacted
Drug Resources by Function	
Treatment	\$627.769
Total Drug Resources by Function	\$627.769
Drug Resources by Decision Unit	
Continuum of Care: Homeless Assistance Grants	\$602.769
Section 8071 Pilot Recovery Housing Program	\$25.000
Total Drug Resources by Function	\$627.769
Drug Resources Personnel Summary	
Total FTEs (direct only)	---
Drug Resources as a percent of Budget	
Total Agency Budget (in Billions)	\$59.6
Drug Resources percentage	1.1%

METHODOLOGY

The Office of Special Needs Assistance Programs in HUD does not have a specific appropriation for drug-related activities. Many of its programs target the most vulnerable citizens in our communities, including individuals with chronic mental health or substance use issues, persons living with HIV/Acquired Immune Deficiency Syndrome (AIDS), and formerly incarcerated individuals. Recipients of resources provided by the Office of Special Needs Assistance Programs report to HUD annually how many people they intend to serve through the Continuum of Care (CoC) Program funding. The most recent CoC Competition data (from FY 2020) shows that 22.3 percent of clients served will receive substance use treatment.

Section 8071 (Pilot Program to Help Individuals in Recovery from a Substance Use Disorder become Stably Housed) of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act allows states and the

District of Columbia to provide stable, transitional housing for individuals in recovery from a substance use disorder. The Consolidated Appropriations Act, 2021 (P.L. 116-260) provided \$25 million for such purposes.

MATERIAL WEAKNESSES OR OTHER FINDINGS

HUD has not identified any material weaknesses or other findings.

REPROGRAMMINGS OR TRANSFERS

HUD did not reprogram or transfer any drug control funds in fiscal year 2021.

OTHER DISCLOSURES

HUD has not identified any other disclosures relating to the fiscal year 2021 drug control funds.

MANAGEMENT ASSERTIONS

The management assertions for HUD's accounting report are found in the attached: Tab B

Tab H

**Review of U.S. Customs and
Border Protection's
Fiscal Year 2021 Detailed
Accounting Report for
Drug Control Funds**





OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 25, 2022

MEMORANDUM FOR: The Honorable Chris Magnus
Commissioner
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V**
Inspector General **CUFFARI**

SUBJECT: *Review of U.S. Customs and Border Protection's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds*

Digitally signed by
JOSEPH V CUFFARI
Date: 2022.01.24
20:17:53 -05'00'

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds*. U.S. Customs and Border Protection (CBP) management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the Office of National Drug Control Policy Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review CBP's Detailed Accounting Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions or your staff may contact Bruce Miller, Deputy Inspector General for Audits, or Maureen Duddy, Assistant Inspector General for Audits, at (202) 981-6000.

Attachment

cc: Chief Accountability Officer, CBP



DHS OIG HIGHLIGHTS

Review of U.S. Customs and Border Protection's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds

January 25, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the agency's submission and provide a conclusion about the reliability of each assertion in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the U.S. Customs and Border Protection's (CBP) Detailed Accounting Report. CBP management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

CBP management was unable to provide supporting documentation for the methodology used in determining the drug control obligation percentages for each CBP program office. These percentages are applied to total actual obligations to estimate the obligations related to its drug control activities. The estimated drug control activity obligations are further broken down between interdiction and intelligence in the Table. Further, CBP management was unable to provide supporting documentation for the methodology used in estimating the percentages of drug control activity obligations allocated between interdiction and intelligence. As a result, Williams Adley was unable to assess the reasonableness and accuracy of the methodologies used and Drug Methodology assertion.

Except as noted above, nothing came to Williams Adley's attention that caused it to believe that the FY 2021 Detailed Accounting Report or related assertions is not presented in conformity with the criteria in the ONDCP Circular.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Detailed Accounting Report (DAR) of the U.S. Department of Homeland Security's (DHS) U. S. Customs and Border Protection (CBP) for the year ended September 30, 2021. CBP management is responsible for the preparation of the DAR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about management's assertions based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the DAR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether CBP's DAR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

The Circular requires CBP to utilize a drug control methodology for presenting its National Drug Control Budget by drug control functions. The Circular also states that the methodology must provide a reasonable basis for consistent estimation. We noted that the Office of Intelligence, a CBP program office, expends funding for drug control activities but was omitted from CBP's Table of Fiscal Year (FY) 2021 Drug Control Obligations (the Table) presented in the DAR. We also noted that CBP management was unable to provide supporting documentation for the methodology used in determining the drug control obligation percentages for each CBP program office. These percentages are applied to total actual obligations to estimate the obligations related to its drug control activities. The estimated drug control activity obligations are further broken down between interdiction and intelligence in the Table. However, CBP management was unable to provide supporting documentation for the methodology used in estimating the percentages of drug control activity obligations allocated between interdiction and intelligence. These percentages are used to derive the dollar-value of obligations reported as Total Resources by Budget Drug Control Unit and Drug Control Function in the Table. As a result, we were not able to assess the reasonableness and accuracy of the methodologies used and Drug Methodology assertion.

WILLIAMS, ADLEY & COMPANY-DC, LLP

Certified Public Accountants/ Management Consultants

1030 15th Street, NW, Suite 350 West • Washington, DC 20005 • (202) 371-1397 • Fax: (202) 371-9161

www.williamsadley.com

Based on our review, except for the effects of the matters described above, we are not aware of any material modifications that should be made to the DAR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, CBP, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company - DC, LLP

Washington, D.C.

January 19, 2022

1300 Pennsylvania Avenue NW
Washington, DC 20229



U.S. Customs and Border Protection

January 19, 2022

Regina M. LaBelle
Acting Director
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. LaBelle:

Enclosed is the CBP FY 2021 Detailed Accounting Report (DAR) on National Drug Control Funding. In FY 2021, CBP reported direct obligations of approximately \$3,084.7 million.

If you have any questions or would like additional information, please contact me at (202) 325-4054.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey Caine".

Jeffrey Caine
Chief Financial Officer
U.S. Customs and Border Protection
Department of Homeland Security

**U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. CUSTOMS AND BORDER PROTECTION
Detailed Accounting Report of Fiscal Year 2021 Drug Control Funds**

DETAILED ACCOUNTING REPORT

A. Table of Fiscal Year (FY) 2021 Drug Control Obligations

Drug Resources by Budget Decision Unit	FY 2021 Final (\$ In Millions)
Operations and Support (O&S)	\$3,005.848
Procurement, Construction, and Improvements (PC&I)	\$78.859
Total Resources by Drug Control Unit	\$3,084.707
Drug Resources by Drug Control Function	
Intelligence	
United States Border Patrol	\$22.906
Office of Field Operations	\$321.534
Office of Information and Technology	\$11.780
Office of Training and Development	\$0.796
Air and Marine Operations	\$150.154
Intelligence - Total	\$507.170
Interdiction	
United States Border Patrol	\$638.443
Office of Field Operations	\$1,232.410
Office of Information and Technology	\$8.620
Office of Training and Development	\$57.935
Air and Marine Operations	\$640.129
Interdiction - Total	\$2,577.537
Total Resources by Drug Control Function	\$3,084.707
Total Obligations	\$3,084.707
High Intensity Drug Trafficking Area (HIDTA)	

Note: Drug resources broken down by unit and function as reflected in the budget structure enacted in the FY 2019 Department of Homeland Security (DHS) Appropriations Act (P.L. 115-141).

1. Drug Methodology

U.S. Customs and Border Protection (CBP) is a multi-mission agency that calculates obligations by budget decision unit and drug control function, pursuant to an approved drug control funds calculation methodology. There are six program offices within CBP that are tasked with drug-control responsibilities: the United States Border Patrol (USBP), the Offices of Field Operations (OFO), Information and Technology (OIT), Training and Development (OTD), Acquisition (OA), and Air and Marine Operations (AMO). In conformity with the requirements of ONDCP Circular: *National Drug Control Program Agency Compliance Reviews, dated September 9, 2021*, each program office has developed a drug methodology to estimate the percentage of its obligations related to drug enforcement.

USBP, OFO, OIT, and AMO attribute their resources to both intelligence and interdiction functions while OTD and OA attribute their resources solely to interdiction.

The Drug Control Obligations table is based on actual obligations for each decision unit and program office named above for FY 2021. The obligation reports are generated by data reported in CBP's Systems, Applications, and Products in Data Processing (SAP) system, which is a DHS-approved accounting system. SAP is a fully integrated Enterprise Resource Planning (ERP) system that CBP uses to record and report obligations. Each program office multiplies its drug control obligation percentages by its actual total obligations per SAP to estimate obligations related to drug enforcement activities. The drug methodology developed and applied by each program office is described below:

UNITED STATES BORDER PATROL (USBP)

The USBP is responsible for controlling almost 6,000 miles of land borders between ports of entry with Canada and Mexico, and nearly 2,700 miles of coastal waters surrounding the Florida Peninsula and Puerto Rico. There were 19,513 Border Patrol agents, as of October 10, 2021, assigned to the mission of detecting and apprehending illegal entrants between the ports-of-entry. These illegal entries include aliens, drug smugglers, potential terrorists, wanted criminals, and persons seeking to avoid inspection at the designated ports of entry due to their undocumented status. It has been determined that 15 percent of USBP's activities are related to drug activities. This percentage was determined based on a historical study of the hours worked by agents, canine officers, and core personnel at various border checkpoints with narcotic-intensive activities. USBP resources come from (1) the Border Security Operations program, project, and activity (PPA) within CBP's Operations and Support (O&S) appropriation, and Border Security Assets and Infrastructure PPA within CBP's Procurement, Construction, and Improvements (PC&I) appropriation.

Of the 15 percent of obligations related to drug enforcement activities, USBP determined through the historical study referred to in the above paragraph that 3.5 percent of agents' efforts are related to intelligence and 96.5 percent are related to drug interdiction. Also, historically, the 15 percent of obligations are related to drug interdiction only. These activities include staffing permanent border traffic checkpoints nationwide, including 888 canine units trained in the detection of humans and certain illegal drugs that are concealed within cargo containers, truck trailers, passenger vehicles, and boats. In addition, agents perform line watch functions in targeted border areas that are frequent entry points for the smuggling of drugs and people into the United States.

CBP is the lead agency within DHS for the development and deployment of border technology and tactical infrastructure to secure America's borders. Prior to FY 2017, CBP's Border Security Fencing, Infrastructure, and Technology (BSFIT) appropriation provided multi-year funding for the CBP program office, USBP, to develop and install technology and tactical infrastructure solutions, enabling a more effective and efficient method for controlling border security. While CBP still has multi-year funds available from previously enacted BSFIT appropriations, CBP transitioned to the DHS Common Appropriations Structure (CAS) beginning in FY 2017. Consequently, the BSFIT appropriation has been discontinued and counterdrug funding is now appropriated through CBPS O&S and PC&I appropriations. All anticipated and actual obligations for drug control activities are now being accounted for through USBP. Obligations for FY 2021 BSFIT carryover funds were captured using the standard calculation of 15 percent of BSFIT obligations.

This data comes from a historical study performed by USBP, which provides reliable source data for the drug methodology described above.

OFFICE OF FIELD OPERATIONS (OFO)

OFO estimates there were 3,316 CBP officer (CBPO) full-time equivalents related to drug enforcement on enforcement teams in FY 2021. Anti-Terrorism Contraband Enforcement Teams (A-TCET) work closely with the Passenger Enforcement Rover Team (PERT) and Passenger Analytical Unit (PAU) teams to coordinate all enforcement activities. Although the primary mission of A-TCET teams is anti-terrorism, they also focus on all types of contraband, including narcotics. CBP estimates that 69 percent of the A-TCET is devoted to drug enforcement. The smuggling methodologies and their indicators are similar for both narcotics and anti-terrorism activities. Of the funding that is devoted to enforcement teams, OFO estimates that 85 percent is dedicated to interdiction with 15 percent dedicated to intelligence.

OFO had 25,662 CBPOs in FY 2021, who, in addition to the interdiction of contraband and illegal drugs, enforce hundreds of laws and regulations on behalf of many other Federal Government agencies. The other Federal agencies include, for example, the U.S. Fish and Wildlife Service, Bureau of Alcohol, Tobacco, Firearms, and Explosives, and Bureau of Export Administration, among many others. CBP subject matter experts estimate that approximately 30 percent of these officers' time is devoted to drug-related activities. Of the funding that is devoted to general officer duties, OFO estimates that 80 percent is dedicated to interdiction with 20 percent dedicated to intelligence.

CBP uses a variety of Non-Intrusive Inspection (NII) systems and Radiation Detection Equipment (RDE) systems as part of its layered inspection strategy to achieve its primary mission of securing the Nation's borders and protecting America from the entry of dangerous people and goods. These systems are also used to facilitate the flow of legitimate trade and travel across U.S. borders. It is estimated that 77 percent of the funding for NII is associated with general contraband detection, which would include narcotics. Of the total funding that is devoted to NII, OFO estimates that 70 percent is dedicated to interdiction with 30 percent dedicated to intelligence.

Multiple types of NII and RDE systems are used to inspect sea containers thoroughly and quickly, rail cars, trucks, automobiles, pallets, and various packages and parcels for the presence of contraband without damaging the conveyance or its contents. These systems keep CBP officials from resorting to more intrusive and time-consuming manual inspections, such as unloading, drilling and dismantling.

The Administration has announced a National Health Emergency to combat the Opioid crisis. Seizures of illicit fentanyl have risen substantially in the last three years. Despite increased enforcement actions, there has been a dramatic and disturbing increase in overdose deaths attributable to illicit fentanyl and other synthetic drugs. In response to this rise, OFO has begun to procure, deploy, and train employees to improve the agency's capability to detect and interdict fentanyl and other opioids. Those resources were accounted for in this analysis. CBP has a limited number of narcotic detection devices deployed to its largest POE along the Southwest Border.

CBP also uses three types of canine teams: narcotics/human, drug, and currency. CBP has 488 canine officers in the field. Of the funding devoted to these canine teams, 100 percent of their time is devoted to drug interdiction. CBP has established and deployed a world-class detector dog program to augment existing technology while establishing cutting edge detection capabilities. CBPOs use specially trained detector dogs in interdiction and to support specialized programs aimed at combating the terrorist threat at the Nation's borders, international airports, and seaports.

CBP's NTC addresses illicit narcotics smuggling on a global scale through an aggressive targeting and analysis program, identifying narcotics smuggling schemes in all modes of transportation. NTC has the lead role of identifying global trends and patterns in the narcotics trade and responding to these threats from a national platform. NTC creates system rules and coordinates with CBP POEs, other government agencies, and partnering nations to intercept suspect shipments, directly engaging new and active investigations.

As CBP's focal point for counterterrorism strategy and policy, Counter Network Division (CND) supports frontline officers and agents and is the conduit to senior leadership and the intelligence community for field-generated counterterrorism information. CTD ensures the frontline receives the tools and training to perform the counterterrorism mission and facilitates quick and accurate dissemination of relevant classified and unclassified intelligence between headquarters and operators in the field. 100 percent of the CND budget is estimated to be devoted to counter narcotics intelligence.

This data comes from the Cost Management Information System (CMIS) and an internal CBP Canine Tracking System (Canine TS), which provide reliable source data for the drug methodology described above.

OFFICE OF INFORMATION AND TECHNOLOGY (OIT)

OIT's budget supports the drug enforcement mission through the acquisition, support, and maintenance of technology, and mission critical targeting application systems. Of OIT's spending, it is estimated that 10 percent of Automated Targeting Systems software application costs; TECS; and data center operations costs are in support of the drug mission. Of OIT's funding, it is estimated 40 percent is spent on drug interdiction and 60 percent is devoted to intelligence. The determinations surrounding the percentage of OIT spending that related to drug enforcement activities, specifically interdiction and intelligence, was determined through professional judgment, which provides reliable source data for the drug methodology described above.

OFFICE OF TRAINING AND DEVELOPMENT (OTD)

OTD calculates the portion of their budget attributable to drug control funding by issuing an annual data call for all projected National Training Plan (NTP) funded training courses to assess if courses contain any items related to drug enforcement material and activities. The curriculum of each course is reviewed, and subject matter experts determine course hours delivered related to drug enforcement for this task. If specific courses offered through the NTP contain drug enforcement related material, a specific percentage for that course is defined (hours related to drug enforcement training divided by the total number of course hours). Specific training programs identified include the canine training programs and basic, specialized, and advanced

training for CBP officers and agents. OTD's day-to-day operational resources are attributed to drug enforcement activities at the same rate as the NTP course delivery which is 24.01% for interdiction and 0.33% for intelligence for FY 2020. These percentages vary during the year of execution depending upon actual course delivery obligation rates.

AIR and MARINE OPERATIONS

AMO is a critical component of CBP's border security mission and the DHS risk-based and multi-layered approach to homeland security. AMO applies advanced capabilities and employs unique skill sets to protect the Nation's borders and preserve America's security interests.

AMO is the lead operational component within CBP responsible for air and maritime border security. AMO's mission areas include air, maritime, and land law enforcement; domain awareness; extended border and foreign operations; and contingency and national security operations. In this capacity, AMO targets the conveyances that illegally transport narcotics, arms, and aliens across our borders and in the Source, Transit, and Arrival Zones. In FY 2021, AMO P-3 aircraft flew 6,033 hours in drug control efforts, which represent 82 percent of all AMO P-3 hours. These hours were in support of Joint Interagency Task Force-South (JIATF-S) in the Source and Transit zones. AMO P-3's participated in the interdiction of 191,844 pounds of cocaine in the Source and Transit zones. This equates to 31.8 pounds of cocaine for every counternarcotic hour flown.

AMO partners with USBP on land border security to provide close tactical ground support. Through operations such as wide-area surveillance, investigations, patrols and tactical response in diverse environments, AMO is effectively able to perform counter-narcotics, prevention of imported and exported illegal merchandise or contraband, and other anti-smuggling/trafficking missions.

AMO also operates the Air and Marine Operations Center (AMOC). The AMOC is a key element in CBP's counter-network strategy, responsible for assessing and countering terrorism, transnational organized crime, and other illegal activities. The AMOC advises, guides, and directs the operational employment of sensor technologies for DHS and CBP, managing the air and maritime domain awareness architecture. It integrates multiple sensor technologies, intelligence, law enforcement databases, open-source information, and an extensive communications network. It monitors the airspace of major security events, and houses and collaborates with the Office of Intelligence via its Processing, Exploitation, and Dissemination cell that collects and analyzes multi-domain intelligence from a variety of sources, including CBP and USCG aircraft.

Using flight hours spent performing drug-related activities, AMO has determined that 82 percent of the budget resources that support AMO are considered drug-related. Of the total flight hours flown by AMO, 19 percent were related to intelligence and 81 percent were related to interdiction in FY 2021.

The source data for the financial information/flight hour information is retrieved from Air and Marine's official system of record, TOMIS. TOMIS has undergone a verification and validation by DHS and has been referenced in several GAO and OIG reviews, which provides reliable source data for the drug methodology described above.

2. Methodology Modifications

The drug control methodology for obligations used in FY 2021 remained the same as the methodology used in FY 2020 for the reported program offices.

3. Material Weaknesses or Other Findings

In FY 2021, CBP contributed to the Departmental material weaknesses in Information Technology Controls and Financial Reporting. However, CBP's control deficiencies did not impair CBP's ability to report complete and accurate obligation data in the Table of FY 2020 Drug Control Obligations. Also, during FY 2021, CBP joined other DHS components in making significant improvements in remediating areas of material weaknesses and worked to resolve financial reporting deficiencies through targeted remediation.

The IT Controls and Information Systems area of material weaknesses continues to affect the Department's ability to fully comply with financial management system requirements. While control deficiencies surrounding CBP's accounting system, SAP, was attributed to access controls, CBP had sufficient compensating controls to ensure accounting records were accurate. CBP continues to undergo system improvement and modernization efforts, along with the department. The outcome of these efforts will efficiently enable the Department to comply with government-wide requirements and thus reduce the need for manual compensating controls.

4. Reprogrammings or Transfers

The data presented are associated with obligations against a financial plan that properly reflects all changes in drug-related budgetary resources that occurred during the fiscal year, including reprogrammings or transfers. ONDCP approved all reprogrammings or transfers that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget in FY 2021.

5. Other Disclosures

There are no other disclosures that CBP has determined are necessary to clarify any issues regarding the data reported under ONDCP Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

B. Assertions

1. Obligations by Budget Decision Unit

The obligations reported are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7, for calculating drug control funding against the bureau's accounting system of record for these Budget Decision Units.

2. Drug Methodology

CBP asserts that the methodology used to estimate drug enforcement related obligations is reasonable and accurate. The criteria associated with this assertion are as follows:

a. Data

The estimate of drug enforcement related obligations is based on the methodology described in section A.1 above. This drug methodology, and the systems used to support this methodology, such as TOMIS, CMIS, and the AMOC Integrated Information Database, present a fair and accurate picture of the CBP drug enforcement mission.

b. Financial Systems Security

CBP's financial system, SAP, yields data that fairly presents, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

As stated in the IT general and application control weaknesses noted in section A.3, CBP's financial systems issues related to SAP are based on access control and CBP has compensating controls to ensure CBP can provide data that fairly represent, in all material respects, aggregate obligations. The drug methodology described in section A.1 above is used to estimate what portion of these obligations may reasonably be associated with drug enforcement related activities.

3. Application of Drug Methodology

The methodology described in section A.1 above was used to generate the Table of FY 2021 Drug Control Obligations.

4. Material Weaknesses

All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in CBP's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

5. Methodology Modifications

No modifications were made to CBP's methodology for reporting drug control resources from the previous year's reporting.

6. Reprogrammings or Transfers

The data presented are associated with obligations against a financial plan that properly reflects all changes in drug-related budgetary resources that occurred during the fiscal year, including ONDCP's approval of all reprogramming or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

7. Fund Control Notices

The Director of National Drug Control Policy did not issue a Fund Control Notice for CBP for FY 2021.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
Report Distribution

Department of Homeland Security

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Deputy Chiefs of Staff
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Director, GAO/OIG Liaison Office
Under Secretary, Office of Strategy, Policy, and Plans
Assistant Secretary for Public Affairs
Assistant Secretary for Office of Legislative Affairs

U.S. Customs and Border Protection

Commissioner
Chief Financial Officer
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Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

**Review of U.S. Customs and
Border Protection's
Fiscal Year 2021
Drug Control Budget
Formulation Compliance
Report**





OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 27, 2022

MEMORANDUM FOR: The Honorable Chris Magnus
Commissioner
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V**
Inspector General **CUFFARI**

SUBJECT: *Review of U.S. Customs and Border Protection's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report*

Digitally signed by
JOSEPH V CUFFARI
Date: 2022.01.26 13:05:55
-05'00'

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report*. U.S. Customs and Border Protection's (CBP) management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the Office of National Drug Control Policy's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review CBP's Drug Control Budget Formulation Compliance Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits, or Maureen Duddy, Assistant Inspector General for Audits, at (202) 981-6000.

cc: Chief Accountability Officer, CBP

Attachment



DHS OIG HIGHLIGHTS

Review of U.S. Customs and Border Protection's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report

January 27, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 of each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the report and provide a conclusion about the reliability of each assertion made in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the U.S. Customs and Border Protection's (CBP) FY 2021 Drug Control Budget Formulation Compliance Report. CBP management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that CBP's FY 2021 Budget Formulation Compliance Report and related assertions are not presented in conformity with the criteria in the ONDCP Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) of the U.S. Department of Homeland Security's (DHS) U.S. Customs and Border Protection (CBP) for the year ended September 30, 2021. CBP management is responsible for the preparation of the BFCR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about the BFCR based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether CBP's BFCR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Among other requirements, the Circular requires CBP to submit their summer drug budget directly to ONDCP at the same time their budget requests are provided to their agency heads. Based on our review, we determined CBP did not submit its summer drug budget to ONDCP directly. Rather, CBP submitted its summer drug budget to the DHS Budget Division Formulation Team for subsequent transmission to ONDCP. Although the process utilized does not align to the Circular requirements, because CBP's assertion is accurate, our conclusion is not modified.

Based on our review, we are not aware of any material modifications that should be made to the BFCR or related assertions for the year ended September 30, 2021, for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, CBP, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022

WILLIAMS, ADLEY & COMPANY-DC, LLP

Certified Public Accountants/ Management Consultants

1030 15th Street, NW, Suite 350 West • Washington, DC 20005 • (202) 371-1397 • Fax: (202) 371-9161

www.williamsadley.com

1300 Pennsylvania Avenue NW
Washington, DC 20229



U.S. Customs and Border Protection

January 19, 2022

Regina M. LaBelle
Acting Director
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. LaBelle:

Enclosed is the CBP FY 2021 Budget Formulation Compliance Report (BFCR) on National Drug Control Funding. In FY 2021, CBP reported direct obligations of approximately \$3,084.7 million.

If you have any questions or would like additional information, please contact me at (202) 325-4054.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey Caine".

Jeffrey Caine
Chief Financial Officer
U.S. Customs and Border Protection
Department of Homeland Security

**U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. CUSTOMS AND BORDER PROTECTION
Budget Formulation Compliance Report for Fiscal Year 2021 Drug Control Funds**

BUDGET FORMULATION COMPLIANCE REPORT (BFCR)

A. Summer Budget Formulation Information

(1) Summer Drug Budget Transmittal

CBP's Fiscal Year (FY) 2023 Summer Drug Budget Transmittal was provided to the Department of Homeland Security (DHS) Budget Office on July 14, 2021, for further transmission by DHS to ONDCP on July 16, 2021.

(2) Summary Table of Fiscal Year 2021 Summer Drug Control Obligations

	Budget Authority (in Millions)		
	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Summer Budget
Drug Resources by Function			
Intelligence	\$494.051	\$502.052	
Interdiction	\$2,546.257	\$2,581.850	
Total Drug Resources by Function	\$3,040.308	\$3,083.902	
Drug Resources by Decision Unit			
Operations and Support	\$2,924.347	\$3,017.534	
<i>Border Security Operations</i>	\$673.164	\$717.779	
<i>Trade and Travel Operations</i>	\$1,503.692	\$1,546.484	
<i>Integrated Operations</i>	\$690.471	\$696.213	
<i>Mission Support</i>	\$57.020	\$57.058	
Procurement, Construction, and Improvements	\$115.961	\$66.368	
<i>Border Security Operations</i>	\$20.700	\$8.147	
<i>Trade and Travel Operations</i>	---	\$24.640	
<i>Integrated Operations</i>	\$95.261	\$33.581	
Total Drug Resources by Decision Unit	\$3,040.308	\$3,083.902	

Drug Resources Personnel Summary		
Total FTEs (direct only)	10,782	11,424
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$16.2	\$16.3
Drug Resources Percentage	18.7%	18.9%

B. Assertions

(1) Timeliness of Summer Budget Submission

CBP asserts that the FY 2023 Summer Drug Budget submitted to ONDCP was provided to the Department of Homeland Security (DHS) Budget Office, who then provided it to ONDCP on the same date as identified in the section above.

(2) Funding Levels Represent Bureau-Level Request

CBP asserts that the funding request in the FY 2023 Summer Drug Budget submission provided to ONDCP by the DHS Budget Office represents the funding levels in the budget submission made by CBP to DHS, without alteration or adjustment by any official at DHS.



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Department of Homeland Security

Appendix A
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Congressional Oversight and Appropriations Committees

Office of National Drug Control Policy

Associate Director for Management and Administration

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Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305



FEMA

March 21, 2022

MEMORANDUM TO: Dr. Rahul Gupta, Director
Office of National Drug Control Policy

FROM: Benjamin D. Moncarz
Deputy Chief Financial Officer

SUBJECT: FY 2021 Office of National Drug Control Policy Circular, National
Drug Control Program Agency Compliance Review

Dear Dr. Gupta:

In accordance with the Office of National Drug Control Policy Circular (ONDCP), National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the Federal Emergency Management Agency (FEMA) is submitting its Accounting and Authentication of FY 2021 Drug Control Funds.

In accordance with ONDCP Circular dated September 9, 2021, Section 7 financial disclosures and assertions in the attached report, to the best of my knowledge all the information presented for FEMA is true and correct and I concur with all assertions associated with FEMA in Section 7.

FEMA requests an exemption from the Inspector General Authentication review due to prior year drug-related obligations of less than \$50 million and would constitute an unreasonable reporting burden.

If you require further assistance on this information, please contact Bob Simpson at (202) 674-3268 or robert.simpsonjr@fema.dhs.gov.

Enclosures:
Accounting and Authentication of Drug Control Funds

**Federal Emergency Management Agency
Accounting and Authentication Drug Control Funds for 2021**

Reference: ONDCP Circular: National Drug Control Program Agency Compliance Reviews (September 9, 2021)

SECTION 7 REPORTING - Detailed Accounting Report

7. a. Drug Control Funding Obligations

7. a. (1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

The following table presents the obligations of the drug control budgetary resources appropriated and available in FY 2021 by Decision Unit and by Drug Control Function.

FY 2021 Federal Emergency Management Agency Drug Control Obligations		\$ in Millions FY 2021 Actual
A. Drug Resources by Function		
State and Local Assistance		\$13.5
	Total	\$13.5
B. Drug Resources by Decision Unit		
Operations and Support		\$13.5
	Total	\$13.5
Total Agency Budget ¹		\$4,568.0
Drug Related Percentage ²		<0.1%

¹ Amount excludes Budget Control Act funding for major disasters under the Disaster Relief Fund.

² CBP estimates 15-percent of Operation Stonegarden will benefit drug enforcement.

7. a. (2) Drug Methodology

Operation Stonegarden (OPSG) grants are awarded by FEMA in coordination with the U.S. Customs and Border Protection (CBP). OPSG contributes to efforts to secure the United States borders along routes of ingress from international borders. OPSG supports a broad spectrum of border security activities performed by State, local and tribal law enforcement agencies (LEAs)

through increased material, manpower readiness, and the number of “boots on the ground” to better secure our Nation’s borders.

The funds awarded are used in intelligence informed operations, which may assist with counterdrug efforts. Due to the intricate nature of these operations, CBP is unable to delimit the amount applied toward counterdrug operations; however, they estimate no more than 15 percent of OPSG funding and activity supports counter drug activities.

As OPSG is not specifically a drug enforcement grant program there is no statutory or programmatic requirement under OPSG to specifically delineate drug interdiction activities or expenditures. OPSG grant funds are primarily used for personnel costs, which are not reported by activity therefore the exact amount expended for drug enforcement cannot be determined.

7. a. (3) Methodology Modifications

The drug methodology for 2021 has not been modified from the previous year, 2020.

7. a. (4) Material Weaknesses or Other Findings

In the FY 2021 financial audit report, FEMA’s independent auditors identified no material weaknesses or significant deficiencies in FEMA’s internal controls over financial reporting.

7. a. (5) Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2021.

7. a. (6) Other Disclosures

No other disclosures are necessary to clarify any issues regarding the data reported under this circular.

7. b. Assertions

7. b. (1) Obligations by Budget Decision Unit

The obligations reported by budget decision unit are the actual obligations from FEMA’s accounting system of record for the stated Budget Decision Unit.

7. b. (2) Drug Methodology

OPSG grants are awarded by FEMA in coordination with CBP. OPSG contributes to efforts to secure the United States borders along routes of ingress from international borders. OPSG supports a broad spectrum of border security activities performed by State, local and tribal LEAs through increased material, manpower readiness, and the number of “boots on the ground” to better secure our Nation’s borders.

The funds awarded are used in intelligence informed operations, which may assist with counterdrug efforts. Due to the intricate nature of these operations, CBP is unable to delimit the amount applied toward counterdrug operations; however, they estimate no more than 15 percent of OPSG funding and activity supports counter drug activities.

As OPSG is not specifically a drug enforcement grant program there is no statutory or programmatic requirement under OPSG to specifically delineate drug interdiction activities or expenditures. OPSG grant funds are primarily used for personnel costs, which are not reported by activity therefore the exact amount expended for drug enforcement cannot be determined.

7. b. (3) Application of Drug Methodology

The drug methodology disclosed in section 7.a. (2) Drug Methodology, above, was the actual methodology used to generate the table above.

7. b. (4) Material Weaknesses or Other Findings

In the FY 2021 financial audit report, FEMA’s independent auditors identified no material weaknesses or significant deficiencies in FEMA’s internal controls over financial reporting.

7. b. (5) Methodology Modifications

The drug methodology for 2021 has not been modified from the previous year, 2020.

7. b. (6) Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2021.

7. b. (7) Fund Control Notices

Not applicable. ONDCP did not issue any Fund Control Notices to FEMA in FY 2021.

8. Inspector General Authentication

8. d. Unreasonable Burden Exception

An agency or bureau included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may request an exemption from the Inspector General Authentication review required by Section 8.

See Memorandum from the FEMA CFO, attached.



July 2, 2021

MEMORANDUM TO: Erin P. McCartney
Deputy Director for the
Office of Performance Budget

FROM: Benjamin Moncarz
Deputy Chief Financial Officer

SUBJECT: FY 2022 ONDCP Summer Budget Submission

In accordance with the Office of National Drug Control Policy (ONDCP) Circular, enclosed is the Federal Emergency Management Agency's ONDCP FY 2022 Budget Drug Exhibit.

DHS transmitted FEMA's unaltered and unadjusted FY 2022 Summer Drug Budget to ONDCP by email on May 22, 2021. The budget request included the Resource Summary table.

To the best of our knowledge, the budget formulation, detailed accounting and performance measures, targets, and results are accurate and complete.

If you require further assistance on this information, please contact Kristos Kowgios at (240) 615-6798 or kristos.kowgios@fema.dhs.gov.

Enclosures:
FY2022 Summer Budget and Performance Summary

	Budget Authority (in millions)		
	FY 2021 Enacted ^[1]	FY 2022 President's Budget ^[2]	FY 2023 Summer Budget ^[3]
Drug Resources by Function			
State and Local Assistance	\$13.500	\$13.162	
Total Drug Resources by Function	\$13.500	\$13.162	
Drug Resources by Decision Unit			
Operations & Support	\$13.500	\$13.162	
Total Drug Resources by Decision Unit	\$13.500	\$13.162	
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions) ^[4]	\$4.568	\$5.248	
Drug Resources Percentage ^[5]	<0.1%	<0.1%	
Drug Resources by Budget Decision Unit and Program			
Decision Unit Name: Operation Stonegarden			
Operation Stonegarden	\$13.500	\$13.162	
Total Decision Unit Operation Stonegarden	\$13.500	\$13.162	
Total Funding	\$13.500	\$13.162	

^[1] This dollar value is based on an estimate from CBP that approximately 15 percent of OPSG funds will benefit drug enforcement. The total amount appropriated for OPSG is \$90M.

^[2] Amount is notational and subject to change upon enacted legislation.

^[3] Amount is notational and subject to change upon enacted legislation.

^[4] Amount does not include BCA dollars for major disasters under the Disaster Relief Fund.

^[5] The Drug Resources Percentage is based on the CBP estimate of 15% of OPSG will benefit drug enforcement, not actual data.

**Review of Federal Law
Enforcement Training
Centers' Fiscal Year 2021
Detailed Accounting
Report for Drug
Control Funds**





OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 25, 2022

MEMORANDUM FOR: The Honorable Thomas J. Walters
Director
Federal Law Enforcement Training Centers

FROM: Joseph V. Cuffari, Ph.D.
Inspector General

JOSEPH V
CUFFARI

Digitally signed by JOSEPH
V CUFFARI
Date: 2022.01.24 20:27:28
-05'00'

SUBJECT: *Review of Federal Law Enforcement Training Centers'
Fiscal Year 2021 Detailed Accounting Report for Drug
Control Funds*

Attached for your information is our final report, *Review of Federal Law Enforcement Training Centers' Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds*. Federal Law Enforcement Training Centers (FLETC) management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the Office of National Drug Control Policy Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review FLETC's Detailed Accounting Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions or your staff may contact Bruce Miller, Deputy Inspector General for Audits, or Maureen Duddy, Assistant Inspector General for Audits, at (202) 981-6000.

cc: Chief Financial Officer and Senior Component Accountable Official, FLETC

Attachment



DHS OIG HIGHLIGHTS

Review of Federal Law Enforcement Training Centers Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds

January 25, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the agency's submission and provide a conclusion about the reliability of each assertion in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the Federal Law Enforcement Training Centers' (FLETC) Detailed Accounting Report. FLETC management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that FLETC's FY 2021 Detailed Accounting Report and related assertions are not presented in conformity with the criteria in the Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Detailed Accounting Report (DAR) of the U.S. Department of Homeland Security's (DHS) Federal Law Enforcement Training Centers (FLETC) for the year ended September 30, 2021. FLETC management is responsible for the preparation of the DAR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about management's assertions based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the DAR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether FLETC's DAR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to the DAR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, FLETC, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022

WILLIAMS, ADLEY & COMPANY-DC, LLP

Certified Public Accountants/ Management Consultants

1030 15th Street, NW, Suite 350 West • Washington, DC 20005 • (202) 371-1397 • Fax: (202) 371-9161

www.williamsadley.com



**Homeland
Security**

January 19, 2022

Ms. Regina M. LaBelle
Acting Director
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. LaBelle,

In accordance with the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, enclosed is the Federal Law Enforcement Training Centers' ONDCP FY2021 Detailed Accounting Report (DAR). In FY2021 FLETC reported direct obligations of approximately \$54 million.

To the best of our knowledge the details provided are accurate and complete. If you require further assistance on this information, please contact Joshua Adams at (912) 554-4662.

Sincerely,

**DONALD R
LEWIS**

Digitally signed by
DONALD R LEWIS
Date: 2022.01.19
10:30:36 -05'00'

Donald R. Lewis
Assistant Director/Chief Financial Officer
Federal Law Enforcement Training Centers

U.S. DEPARTMENT OF HOMELAND SECURITY
Federal Law Enforcement Training Centers (FLETC)
Detailed Accounting Report of Drug Control Funding

2021

A - Prior Year Drug Control Obligations

1- Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

	Obligations (in Millions)
	FY 2021
Drug Resources by Function	
Investigations	\$52.039
State & Local Assistance	\$1.079
International	\$0.617
Total Drug Resources by Function	\$53.735
Drug Resources by Decision Unit	
Salaries & Expenses	\$53.735
Total Drug Resources by Decision Unit	\$53.735
Drug Resources Personnel Summary	
Total FTEs (direct only)	219
Drug Resources as a Percent of Budget	
Total Agency Budget (in billions)	\$ 0.300
Drug Resources Percentage	15.8%

2- Drug Methodology

The portion of FLETC's total budget considered to be drug resources is identified by historical trends of drug-related training relative to total student-weeks of training and the associated budget authority required to conduct that training. Advanced training programs with a drug nexus are considered to provide 100% support to drug enforcement activities. State and local training programs with a drug nexus are also considered to provide 100% support. All international training has a drug nexus and is also considered to provide 100% support. FLETC drug enforcement training support is in the following three training functions: Investigations, 96%; State and Local Training and Assistance, 3%; and, International Training and Technical Assistance, 1%.

The percentage of the Salaries and Expenses appropriation that supports drug enforcement activities remains constant at 20.4%; however, the percentage of FLETC's total budget authority in support of drug enforcement activities fluctuates.

3- Methodology Modifications

There were no modification to the drug methodology for the previous year to report.

4- Material Weaknesses or Other Findings

FLETC has no material weaknesses or other findings to report.

5- Reprogrammings or Transfers

In FY 2021, there were no reprogrammings or transfers that materially impacted FLETC's drug-related obligations reported in the in the Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function.

6- Other Disclosures

There are no other disclosures FLETC feels are necessary to clarify any issues regarding the data reported.

B. Assertions

1- Obligations by Budget Decision Unit

The obligations reported are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7, for calculating drug control funding against the bureau's accounting system of record for these Budget Decision Units.

2- Drug Methodology

FLETC asserts that the methodology described in Section A, Disclosure No. 2 is based on reliable data and that the financial systems used yields data that fairly present, in all material respects, aggregate obligations presented in the Table of Prior Year Obligations.

3- Application of Drug Methodology

The methodology disclosed in Section A, Disclosure No. 2 was the actual methodology used to generate the Table of Prior Year FY 2021 Drug Control Obligations.

4- Material Weakness and Other Findings

All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

5- Methodology Modifications

No modifications were made to methodology for reporting drug control resources from the previous year's reporting.

6- Reprogrammings or Transfers

During FY 2021, FLETC had no reports of transfers or reprogramming actions affecting drug related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

7- Fund Control Notices

No Fund Control Notice was issued, as defined by the ONDCP Director under 21 U.S.C. Section 1703(f) and Section 9 of the ONDCP Circular: *Budget Execution*, to FLETC in FY 2021.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
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Assistant Secretary for Public Affairs
Assistant Secretary for Office of Legislative Affairs

Federal Law Enforcement Training Center

Director
Chief Financial Officer
Audit Liaison

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

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Congressional Oversight and Appropriations Committees

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Associate Director for Management and Administration

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Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

OFFICE OF INSPECTOR GENERAL

**Review of Federal Law
Enforcement Training
Centers' Fiscal Year 2021
Drug Control Budget
Formulation Compliance
Report**



**Homeland
Security**

**January 27, 2022
OIG-22-20**



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 27, 2022

MEMORANDUM FOR: The Honorable Thomas J. Walters
Director
Federal Law Enforcement Training Centers

FROM: Joseph V. Cuffari, Ph.D.
Inspector General

JOSEPH V
CUFFARI

Digitally signed by
JOSEPH V CUFFARI
Date: 2022.01.26 13:08:18
-05'00'

SUBJECT: *Review of Federal Law Enforcement Training Centers'
Fiscal Year 2021 Drug Control Budget Formulation
Compliance Report*

Attached for your information is our final report, *Review of Federal Law Enforcement Training Centers' Fiscal Year 2021 Drug Control Budget Formulation Compliance Report*. Federal Law Enforcement Training Centers' (FLETC) management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the Office of National Drug Control Policy's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review FLETC's Drug Control Budget Formulation Compliance Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits, or Maureen Duddy, Assistant Inspector General for Audits, at (202) 981-6000.

cc: Assistant Director and Chief Financial Officer, FLETC

Attachment



DHS OIG HIGHLIGHTS

Review of Federal Law Enforcement Training Centers' Fiscal Year 2021 Drug Control Budget Formulation Compliance Report

January 27, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 of each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the report and provide a conclusion about the reliability of each assertion made in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the Federal Law Enforcement Training Centers' (FLETC) FY 2021 Drug Control Budget Formulation Compliance Report. FLETC management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that FLETC's FY 2021 Budget Formulation Compliance Report and related assertions are not presented in conformity with the criteria in the ONDCP Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) of the U.S. Department of Homeland Security's (DHS) Federal Law Enforcement Training Centers (FLETC) for the year ended September 30, 2021. FLETC management is responsible for the preparation of the BFCR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about the BFCR based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether FLETC's BFCR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Among other requirements, the Circular requires FLETC to submit their summer drug budget directly to ONDCP at the same time their budget requests are provided to their agency heads. Based on our review, we determined FLETC did not submit its summer drug budget to ONDCP directly. Rather, FLETC submitted its summer drug budget to the DHS Budget Division Formulation Office for subsequent transmission to ONDCP. Although the process utilized does not align to the Circular requirements, because FLETC's assertion is accurate, our conclusion is not modified.

Based on our review, we are not aware of any material modifications that should be made to the BFCR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, FLETC, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022



**Homeland
Security**

January 19, 2022

Ms. Regina M. LaBelle
Acting Director
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. LaBelle,

In accordance with the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, enclosed is the Federal Law Enforcement Training Centers' ONDCP FY2021 Budget Formulation Compliance Report (BCFR).

To the best of our knowledge the budget formulation details provided are accurate and complete. If you require further assistance on this information, please contact Joshua Adams at (912) 554-4662.

Sincerely,

**DONALD R
LEWIS**

Digitally signed by
DONALD R LEWIS
Date: 2022.01.19
10:29:56 -05'00'

Donald R. Lewis
Assistant Director/Chief Financial Officer
Federal Law Enforcement Training Centers

Budget Formulation Compliance Report

DEPARTMENT OF HOMELAND SECURITY

Federal Law Enforcement Training Centers (FLETC)

A – Summer Budget Formulation Information

1- Summer Drug Budget Transmittal

FLETC’s Fiscal Year 2023 Summer Drug Budget and ONDCP Transmittal Memo, was provided to the Department of Homeland Security (DHS) on July 6th, 2021, for further transmission to ONDCP.

2- Summer Drug Budget Resource Summary Table

Resource Summary

	Budget Authority (in Millions)		
	FY 2021 Enacted	FY 2022 President’s Budget	FY 2023 Summer Budget
Drug Resources by Function			
Investigations	\$55.72	\$56.97	
State & Local Assistance	\$1.74	\$1.78	
International	\$.58	\$.59	
Total Drug Resources by Function	\$58.05	\$59.34	
Drug Resources by Decision Unit			
Operations & Support	\$58.05	\$59.34	
Total Drug Resources by Decision Unit	\$58.05	\$59.34	
Drug Resources Personnel Summary			
Total FTEs (direct only)	219	219	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$0.3	\$0.4	
Drug Resources Percentage	17.12%	16.67%	

**Utilizing historical percentage of 20.4% to complete budget cycle per guidance from ONDCP.*

B – Assertions

1- Timeliness of Summer Budget Submission

FLETC asserts that the Summer Drug Budget was provided to DHS on July 6th, 2021, who then provided it to ONDCP on the DHS and ONDCP agreed upon Submission date of July 9th, 2021.

2- Funding Levels Represent Bureau-Level Request

FLETC asserts that the funding request in the submission provided represent the funding levels in the budget submission made to the Department without alteration or adjustment by any official at the Department.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
Report Distribution

Department of Homeland Security

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Assistant Secretary for Public Affairs
Assistant Secretary for Office of Legislative Affairs

Federal Law Enforcement Training Center

Director
Chief Financial Officer
Audit Liaison

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

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Office of National Drug Control Policy

Associate Director for Management and Administration

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Follow us on Twitter at: @dhsoig.



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To report fraud, waste, or abuse, visit our website at www.oig.dhs.gov and click on the red "Hotline" tab. If you cannot access our website, call our hotline at (800) 323-8603, fax our hotline at (202) 254-4297, or write to us at:

Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

Office of the Chief Financial Officer

U.S. Department of Homeland Security
500 12th Street, SW
Washington, D.C. 20536



**U.S. Immigration
and Customs
Enforcement**

February 1, 2022

Performance Budget Coordinator
Office of Performance and Budget
Office of National Drug Control Policy

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Review*, dated September 9, 2021, enclosed are Immigration and Customs Enforcement Reports:

- Budget Formulation Compliance Report (BFCR)
- Detailed Accounting Report (DAR)
- Office of Inspector General's authentications for the BFCR and DAR

If you require further assistance on this information, please contact Jackie Shaw (Jackie.Shaw@ice.dhs.gov) or Kimberly Fleming (Kimberly.Fleming@ice.dhs.gov).

Sincerely,

**KRISTI L
CRUMP**

Digitally signed by
KRISTI L CRUMP
Date: 2022.02.01
17:39:26 -05'00'

Kristi Crump, Deputy Budget Director
Office of Budget and Program Performance
U.S. Immigration and Customs Enforcement

OFFICE OF INSPECTOR GENERAL

**Review of U.S. Immigration
and Customs Enforcement's
Fiscal Year 2021 Detailed
Accounting Report for
Drug Control Funds**



**Homeland
Security**

**January 25, 2022
OIG-22-18**



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 25, 2022

MEMORANDUM FOR: Tae Johnson
Acting Director
U.S. Immigration and Customs Enforcement

FROM: Joseph V. Cuffari, Ph.D.
Inspector General

JOSEPH V
CUFFARI

Digitally signed by JOSEPH V
CUFFARI
Date: 2022.01.24 20:29:34
-05'00'

SUBJECT: *Review of U.S. Immigration and Customs Enforcement's
Fiscal Year 2021 Detailed Accounting Report for Drug
Control Funds*

Attached for your information is our final report, *Review of U.S. Immigration and Customs Enforcement's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds*. U.S. Immigration and Customs Enforcement (ICE) management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the Office of National Drug Control Policy Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review ICE's Detailed Accounting Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions or your staff may contact Bruce Miller, Deputy Inspector General for Audits, or Maureen Duddy, Assistant Inspector General for Audits, at (202) 981-6000.

cc: Chief Financial Officer and Senior Component Accountable Official, ICE

Attachment



DHS OIG HIGHLIGHTS

Review of U.S. Immigration and Customs Enforcement's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds

January 25, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the agency's submission and provide a conclusion about the reliability of each assertion in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the U.S. Immigration and Customs Enforcement (ICE) Detailed Accounting Report. ICE management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that ICE's FY 2021 Detailed Accounting Report and related assertions are not presented in conformity with criteria in the Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Detailed Accounting Report (DAR) of the U.S. Department of Homeland Security's (DHS) U.S. Immigration and Customs Enforcement (ICE) for the year ended September 30, 2021. ICE management is responsible for the preparation of the DAR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about management's assertions based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the DAR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether ICE's DAR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to the DAR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, ICE, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022

WILLIAMS, ADLEY & COMPANY-DC, LLP

Certified Public Accountants/ Management Consultants

1030 15th Street, NW, Suite 350 West • Washington, DC 20005 • (202) 371-1397 • Fax: (202) 371-9161

www.williamsadley.com

Office of the Chief Financial Officer

U.S. Department of Homeland Security
500 12th Street, SW
Washington, D.C. 20536



**U.S. Immigration
and Customs
Enforcement**

January 19, 2022

Regina M. LaBelle
Acting Director for the Office of Performance and Budget
Office of National Drug Control Policy

Dear Regina M. LaBelle,

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Review*, dated September 2, 2021, enclosed is Immigration and Customs Enforcement (ICE) Fiscal Year (FY) 2021 Detailed Accounting Report (DAR). The last time the Department of Homeland Security (DHS) Office of Inspector General (OIG) performed such an audit was for the *FY 2018 Compliance Review*.

The following assertions have been addressed regarding the FY2021 DAR:

- Obligations by Budget Decision Unit
- Drug Methodology:
 - Data
 - Financial Systems
- Application of Drug Methodology
- Material Weaknesses or Other Findings
- Methodology Modifications
- Reprogrammings or Transfers
- Fund Control Notices

If you require further assistance on this information, please contact Jackie Shaw (Jackie.Shaw@ice.dhs.gov) or Kimberly Fleming (Kimberly.Fleming@ice.dhs.gov).

Sincerely,

KRISTI L CRUMP

Digitally signed by KRISTI L
CRUMP
Date: 2022.01.20 10:04:44 -05'00'

Kristi Crump, Deputy Budget Director
Office of Budget and Program Performance (OBPP)
U.S. Immigration and Customs Enforcement

**U.S. Department of Homeland Security
U.S. Immigration and Customs Enforcement
Detailed Accounting Reporting of Drug Control Funding during Fiscal Year 2021**

A. Table of FY 2021 Drug Control Obligations

Drug Resources by Budget Decision Unit and Function:

Drug Resource by Drug Control Function	FY 2021 Final (In Millions)
Domestic Investigations	\$587.141
International Operations	11.898
Intelligence: Domestic	\$27.547
Intelligence: International	\$.608
Total	\$627.194
Drug Resources by Budget Decision Unit	
Salaries and Expenses – Immigration Enforcement	
Total	\$627.194
High Intensity Drug Trafficking Area (HIDTA) Transfer	\$3.693

HIDTA Funds represent total authorized and available during FY2021 (multi-year funds: FY20/21 and FY21/22)

1: Drug Methodology

U.S. Immigration and Customs Enforcement (ICE) is a multi-mission bureau, and obligations are reported pursuant to an approved drug methodology. ICE's Homeland Security Investigations (HSI) Domestic Investigations, International Operations (IO) and Office of Intelligence uphold U.S. drug control policy delegated amid the Office of National Drug Control Policy (ONDCP) initiatives, by fully supporting the overall ICE mandate to detect, disrupt, and dismantle smuggling organizations. Therefore, separate calculations are formulated to determine obligation data for the three ICE HSI sanctioned programs that undertake counter-narcotic investigative activity, presented in the table above. Thereafter, the following three (3) sections cover each program in detail.

Domestic Investigations

The methodology for HSI Domestic Investigations is based on investigative case hours recorded in ICE's automated Case Management System. ICE officers record the type of investigative work they perform in this system in the form of case hours. These case hours can then be aggregated to show overall level

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of effort.

Following the close of the fiscal year, ICE uses Investigative Case Management (ICM) reports to identify and report the total investigative case hours coded as general narcotics cases or money-laundering narcotics cases. A second ICM report shows the total Domestic investigative case hours logged. The percentage of Domestic investigative case hours logged is derived by dividing the number of investigative case hours linked to drug-control activities by the total number of Domestic investigative case hours. This percentage may fluctuate from year to year. For FY 2021, the actual percentage for Domestic Investigations was 31.67 percent. To calculate a dollar amount of obligation, the percentage is applied to the FY 2021 enacted Domestic Investigations budget, excluding reimbursable authority. ICE uses the Federal Financial Management System (FFMS), ICE's general ledger system, to identify the obligations incurred.

International Operations (IO)

The methodology for IO is based on investigative case hours recorded in ICE's automated Case Management System. ICE officers record the type of work and related case hours they perform in this system, which interfaces with ICM. Following the close of the fiscal year, an ICM report is run to capture investigative case hours coded as general narcotics cases or money-laundering narcotics cases. A second report is run to capture all investigative case hours logged for international law enforcement operations. The international investigative case hours logged percentage is derived by dividing the number of investigative case hours linked to drug-control activities by the total number of International investigative case hours. For FY 2021, the actual percentage of hours that were general narcotics related was 9.54 percent. To calculate the dollar amount of obligations for the IO drug control function, the percentage is applied to the FY 2021 enacted IO budget, excluding reimbursable authority. The FFMS is the system used to generate the actual obligations incurred.

Office of Intelligence

ICE Criminal Analysts provide intelligence services for Domestic Investigations and IO to support criminal investigations aimed at disrupting and dismantling criminal organizations involved in transnational drug trade and associated money-laundering crimes. The methodology for the Office of Intelligence is based on intelligence case hours recorded in ICE's automated Case Management System. ICE Criminal Analysts record the type of work and related case hours they perform in this system, which interfaces with ICM. Following the close of the fiscal year, a report in ICM is run to capture investigative case hours coded as general-narcotics cases or money-laundering narcotics cases. A second report is generated capturing all investigative case hours logged. The intelligence investigative case hours percentage is derived by dividing the number of investigative case hours linked to drug-control activities by the total number of Intelligence investigative case hours logged for the Office of Intelligence. For FY 2021, 28.68 percent of the total case hours for the Office of Intelligence were in support of drug-control activities. To calculate the dollar amount of obligations for the Office of Intelligence drug control function, the percentage is applied to the FY 2021 enacted Intelligence budget, excluding reimbursable authority. The FFMS is the system used to generate the actual obligations incurred.

The Office of Intelligence case hours recorded in ICM captures both domestic and international drug-related activity. The Office of Intelligence calculates the total percentage of case hours that support Domestic and International drug enforcement activity by adding the end of the year total number of Intelligence Domestic and Intelligence Office of International Operations drug-controlled investigative hours in ICM and dividing these totals by the total number of Domestic drug-controlled investigative hours and IO drug-controlled investigative hours. The resulting percentage is used to determine the amount that Intelligence does for international activities (2.16 percent) and domestic activities (97.84 percent) in FY 2021. The respective percentages are applied to the total Office of Intelligence drug-related obligations as determined above to identify the relative international and domestic obligations expended by the Office of Intelligence for drug-control activities.

2: Methodology Modifications

There were no modifications to the drug methodology from the previous year to report.

3: Material Weaknesses or Other Findings

In the Fiscal Year 2021 Department of Homeland Security (DHS or the Department) Consolidated Financial Statement Audit, ICE contributed to material weaknesses for Information Technology (IT) Controls and System Functionality and Financial Reporting. ICE continues to focus heavily on controls for all financial related systems, such as the systems used for financial management, invoice management, real property, time & attendance and procurement. ICE has completed a full assessment of IT general controls for all CFO designated systems, continues to execute corrective actions for existing weaknesses, is remediating new weaknesses identified, and conducting routine verification and validation to ensure improvements are being sustained.

ICE recognizes weaknesses and will work to improve financial reporting related to accounts payable accrual, validation and verification of undelivered orders, and recording of seized or forfeited property. Last Fiscal Year, ICE made significant improvement in the monitoring and recording of obligations and downgraded its Budgetary Resources Management (BRM) Significant Deficiency to a Control Deficiency. Additionally, ICE will continue to improve on entity level controls over IT system Plan of Action and Milestones (POAM). While there were some Notices of Findings and Recommendations (NFR) related to the financial processes and systems, ICE continues to improve on financial reporting control deficiencies. The contributions to material weaknesses identified above, or the NFRs received for financial reporting, did not impair ICE's ability to report complete and accurate obligation data in the Table of Prior Year FY 2021 Drug Control Obligations.

4: Reprogrammings or Transfers

During FY 2021, ICE had no reprogrammings or transfers. As a component of DHS, ICE submits all reprogramming and transfer requests through the Department for approval, and the impact of these changes is assessed by the Department. In FY 2021, the Department determined there were no

reprogrammings or transfers that materially impacted ICE's drug-related obligations reported in the Table of FY 2021 Drug Control Obligations.

5: Other Disclosures

There are no other disclosures necessary to clarify any issues regarding the data reported.

B. Assertions

1: Obligations by Budget Decision Unit

The Obligations reported are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7, for calculating drug control funding against the bureau's accounting system of record for these Budget Decision Units.

2: Drug Methodology

The methodology used to calculate obligations of budgetary resources by budget decision unit and function is reasonable and accurate in regard to the workload data employed and the estimation methods used. The workload data derived from ICM, discussed in the methodology section above, is based on work performed between October 1, 2020 and September 30, 2021. There are no other estimation methods used. The financial system used to calculate the drug-related budget obligations is the FFMS, which is reliable and capable of yielding data that fairly presents, in all material respects, aggregate obligations.

3: Application of Drug Methodology

The methodology disclosed in Section A, Disclosure No. 1 was the actual methodology used to generate the Table of FY 2021 Drug Control Obligations.

4: Material Weaknesses or Other Findings

All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

5: Methodology Modifications

No modifications were made to the methodology for reporting drug control resources for the previous year to report.

6: Reprogrammings or Transfers

The data presented are associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A) in FY 2021.

7: Fund Control Notices

No Fund Control Notice was issued, as defined by the ONDCP Director under 21 U.S.C. Section 1703(f) and Section 9 of the ONDCP Circular: *Budget Execution*, to ICE in FY 2021.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
Report Distribution

Department of Homeland Security

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Under Secretary, Office of Strategy, Policy, and Plans
Assistant Secretary for Public Affairs
Assistant Secretary for Office of Legislative Affairs

U.S. Immigration and Customs Enforcement

Director
Chief Financial Officer
Audit Liaison

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees

Office of National Drug Control Policy

Associate Director for Management and Administration

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Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

**Review of U.S.
Immigration and Customs
Enforcement's
Fiscal Year 2021 Drug
Control Budget
Formulation
Compliance Report**





OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 27, 2022

MEMORANDUM FOR: Tae Johnson
Acting Director
U.S. Immigration and Customs Enforcement

FROM: Joseph V. Cuffari, Ph.D. JOSEPH V
Inspector General CUFFARI Digitally signed by JOSEPH
V CUFFARI
Date: 2022.01.26 13:11:03
-05'00'

SUBJECT: *Review of U.S. Immigration and Customs Enforcement's
Fiscal Year 2021 Drug Control Budget Formulation
Compliance Report*

Attached for your information is our final report, *Review of U.S. Immigration and Customs Enforcement's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report*. U.S. Immigration and Customs Enforcement's (ICE) management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the Office of National Drug Control Policy's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review ICE's Drug Control Budget Formulation Compliance Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits, or Maureen Duddy, Assistant Inspector General for Audits, at (202) 981-6000.

cc: Chief Financial Officer and Senior Component Accountable Official, ICE
Attachment



DHS OIG HIGHLIGHTS

Review U.S. Immigration and Customs Enforcement's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report

January 27, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 of each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the report and provide a conclusion about the reliability of each assertion made in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the U.S. Immigration and Customs Enforcement's (ICE) FY 2021 Drug Control Budget Formulation Compliance Report. ICE management prepared the Budget Formulation Compliance Report and related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that ICE's FY 2021 Budget Formulation Compliance Report and related assertions are not presented in conformity with the criteria in the ONDCP Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) of the U.S. Department of Homeland Security's (DHS) U.S. Immigration and Customs Enforcement (ICE) for the year ended September 30, 2021. ICE management is responsible for the preparation of the BFCR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about the BFCR based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether ICE's BFCR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Among other requirements, the Circular requires ICE to submit their summer drug budget directly to ONDCP at the same time their budget requests are provided to their agency heads. Based on our review, we determined ICE did not submit its summer drug budget to ONDCP directly. Rather, ICE submitted its summer drug budget to the DHS Budget Division Formulation Team for subsequent transmission to ONDCP. Although the process utilized does not align to the Circular requirements, because ICE's assertion is accurate, our conclusion is not modified.

Based on our review, we are not aware of any material modifications that should be made to the BFCR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, ICE, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022

Office of the Chief Financial Officer

U.S. Department of Homeland Security
500 12th Street, SW
Washington, D.C. 20536



**U.S. Immigration
and Customs
Enforcement**

January 19, 2022

Regina M. LaBelle
Acting Director for the Office of Performance and Budget
Office of National Drug Control Policy

Dear Regina M. LaBelle,

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Review*, dated September 2, 2021, enclosed is Immigration and Customs Enforcement (ICE) Fiscal Year (FY) 2021 Budget Formulation Compliance Report (BFCR). The last time the Department of Homeland Security (DHS) Office of Inspector General (OIG) performed such an audit was for the *FY 2018 Compliance Review*.

The following assertions have been addressed regarding the FY2021 BFCR:

- Timeliness of Summer Budget Submission
- Funding Levels Represent Bureau-Level Request

If you require further assistance on this information, please contact Jackie Shaw (Jackie.Shaw@ice.dhs.gov) or Kimberly Fleming (Kimberly.Fleming@ice.dhs.gov).

Sincerely,

**KRISTI L
CRUMP**

Digitally signed by KRISTI
L CRUMP
Date: 2022.01.20 10:02:46
-05'00'

Kristi Crump, Deputy Budget Director
Office of Budget and Program Performance (OBPP)
U.S. Immigration and Customs Enforcement

**U.S. Department of Homeland Security
U.S. Immigration and Customs Enforcement
Budget Formulation Compliance Report FY 2021**

A. Summer Budget Formulation Information

1: Summer Drug Budget Transmittal

ICE FY 2023 Summer Drug Budget Transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 7, 2021, for further transmission to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(1).

2: Summer Drug Budget Table

**FY 2023 Summer Budget and Performance Summary
DEPARTMENT OF HOMELAND SECURITY
Immigration and Customs Enforcement (ICE)
Resource Summary**

	Budget Authority (in Millions)	
	FY 2021 Enacted	FY 2022 President's Budget FY 2023 Summer Budget
Drug Resources by Function		
Intelligence	\$64.439	\$65.369
Investigations: Domestic	556.736	563.289
Investigations: International	11.499	13.479
Total Drug Resources by Function	\$632.674	\$642.137
Drug Resources by Decision Unit		
Operations & Support	\$632.674	\$642.137
<i>Intelligence</i>	64.439	65.369
<i>Investigations: Domestic</i>	556.736	563.289
<i>Investigations: International</i>	11.499	13.479
Procurement, Construction, & Improvements	-	-
Research & Development	-	-
Total Drug Resources by Decision Unit	\$632.674	\$642.137
Drug Resources Personnel Summary		
Total FTEs (direct only)	2,650	2,666
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$8.3	\$8.3
Drug Resources Percentage	7.5%	7.6%

B. Assertions

1: Timeliness of Summer Budget Submission

ICE asserts the FY 2023 Summer Drug Budget Transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 7, 2021, for further transmission to ONDCP in a timely manner.

2: Funding Levels Represent Bureau-Level Request

ICE asserts the funding request in the submission provided in Section 6.a.(2) of ONDCP Circular: Compliance Review, represent the funding levels submitted to DHS Budget Coordination for further transmission to ONDCP without alteration or adjustment by any official at the Department to the best of our knowledge.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
Report Distribution

Department of Homeland Security

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U.S. Immigration and Customs Enforcement

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Chief Financial Officer
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Associate Director for Management and Administration

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To report fraud, waste, or abuse, visit our website at www.oig.dhs.gov and click on the red "Hotline" tab. If you cannot access our website, call our hotline at (800) 323-8603, fax our hotline at (202) 254-4297, or write to us at:

Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

**Review of U.S. Coast
Guard's Fiscal Year 2021
Detailed Accounting
Report for Drug Control
Funds**





OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 28, 2022

MEMORANDUM FOR: Admiral Karl L. Schultz
Commandant
U.S. Coast Guard

FROM: Joseph V. Cuffari, Ph.D. JOSEPH V
Inspector General CUFFARI Digitally signed by JOSEPH
Date: 2022.01.27 16:17:28
-05'00'

SUBJECT: *Review of U.S. Coast Guard's Fiscal Year 2021 Detailed
Accounting Report for Drug Control Funds*

Attached for your information is our final report, *Review of U.S. Coast Guard's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds*.

U.S. Coast Guard (USCG) management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the Office of National Drug Control Policy Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review USCG's Detailed Accounting Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits at (202) 981-6100.

Attachment

cc: COMDT (CG-8), USCG



DHS OIG HIGHLIGHTS

Review of U.S. Coast Guard's Fiscal Year 2021 Detailed Accounting Report for Drug Control Funds

January 28, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the agency's submission and provide a conclusion about the reliability of each assertion in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on U.S. Coast Guard's (USCG) Detailed Accounting Report. USCG management prepared the Table of FY 2021 Drug Control Obligations and related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that the Coast Guard's FY 2021 Detailed Accounting Report and related assertions are not presented in conformity with criteria in the Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Detailed Accounting Report (DAR) of the U.S. Department of Homeland Security's (DHS) United States Coast Guard (USCG) for the year ended September 30, 2021. USCG management is responsible for the preparation of the DAR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about management's assertions based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the DAR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether USCG's DAR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to the DAR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, USCG, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022

WILLIAMS, ADLEY & COMPANY-DC, LLP

Certified Public Accountants/ Management Consultants

1030 15th Street, NW, Suite 350 West • Washington, DC 20005 • (202) 371-1397 • Fax: (202) 371-9161

www.williamsadley.com

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

2703 Martin Luther King Jr. Ave. SE
Washington, DC 20593
Staff Symbol: CG-821
Phone: (202) 372-2307

7110

JAN 19 2022

Regina M. LaBelle
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. LaBelle,

In accordance with the Office of National Drug Control Policy Circular: *Budget Formulation*, issued September 9, 2021, enclosed is the Coast Guard's FY 2021 Detailed Accounting Report.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Ben Leuthold, (202) 372-2307.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. C. Barata".

D. C. Barata
Captain, U.S. Coast Guard
Chief, Office of Budget and Programs

Enclosures: (1) USCG FY 2021 Detailed Accounting Report

Copy: Department of Homeland Security, Office of the Chief Financial Officer, Budget Division

**DEPARTMENT OF HOMELAND SECURITY
UNITED STATES COAST GUARD
Detailed Accounting Report of FY 2021 Drug Control Funds**

DETAILED ACCOUNTING REPORT

1. Table of FY 2021 Drug Control Obligations

RESOURCE SUMMARY (Dollars in Millions)	2021 Actual Obligations
Drug Resources by Drug Control Function:	
• Interdiction	\$1,984.500
• Research and Development	\$1.149
Total Resources by Function	\$1,985.649
Drug Resources by Budget Decision Unit:	
• Operations and Support (O&S)	\$1,310.857
• Procurement, Construction, and Improvements (PC&I)	\$673.643
• Research and Development (R&D)	\$1.149
Total Drug Control Obligations	\$1,985.649

2. Drug Methodology

In fiscal year (FY) 2000, a methodology known as the Mission Cost Model (MCM) was developed to present the United States Coast Guard (USCG) missions using activity-based cost accounting principles. The MCM is an estimate of operational mission costs allocated across the Coast Guard's 11 missions/programs consisting of: Drug Interdiction; Migrant Interdiction; Ports, Waterways and Coastal Security; Other Law Enforcement; Defense Readiness; Search and Rescue; Marine Safety; Ice Operations; Marine Environmental Protection; Living Marine Resources; and Aids to Navigation. The MCM output allocated to Drug Interdiction is allocated to the Office of National Drug Control Policy (ONDCP) Drug Control Function 'Interdiction' for all decision units with the exception of R&D. R&D is allocated to ONDCP Control Function 'Research and Development'. The information reported is timely and derived from an allocation process involving the Coast Guard's financial statement information and operational employment data. The operating hour allocation, or baseline, is developed and modified based upon budget line item requests and operational priorities.

The USCG is required to report its drug control funding to the ONDCP in three appropriations, categorically called decision units. The Coast Guard's drug control funding estimates are computed by examining the decision units that are comprised of: Operations and Support (O&S); Procurement, Construction, and Improvement (PC&I); and Research and Development, (R&D). Each decision unit contains its own unique spending authority and methodology. For example, PC&I includes funding that remains available for obligation up to five years after appropriation and R&D includes funding the remains available for obligation up to three years after appropriation. Unless stipulated by law, O&S funding must

be spent in the fiscal year it is appropriated. The mechanics of the MCM methodology used to derive the drug control information for each decision unit's drug control data is derived as follows.

Mission Cost Allocations

O&S funds are used to operate Coast Guard facilities, maintain capital equipment, improve management effectiveness, and recruit, train, sustain, and compensate an active duty military and civilian workforce. The Coast Guard tracks resource hours spent on each of its 11 statutory missions. Obligations within the drug interdiction program are derived by allocating a share of the actual obligations of assets and activities based upon the reported percentage of time aircraft, cutters, and boats spent conducting drug interdiction activities.

The two chief input drivers to the MCM are:

- The Coast Guard's Expanse Allocation Model (EAM) – The EAM model development, formerly known as the Standard Rate and User Fee Model, uses the SAS[®] Activity Based Model (ABM) and Enterprise Guide (EG) software solutions. The model inputs include expenditure data captured by the Coast Guard's three general ledgers: Core Accounting System (CAS), Naval and Electronics Supply System (NESSS), and Aircraft Logistics Information Management System (ALMIS). As such, this model calculates the total cost, including direct, support, and overhead, of operating the Coast Guard's assets, as well as missions or services that the Coast Guard performs but does not have related standard rates or user fees.
- Abstract of Operations (AOPS) and ALMIS – The Coast Guard tracks resource hours incurred on each of the 11 Coast Guard statutory missions using AOPS and ALMIS. This data is then used to determine the amount of time each asset class is employed conducting each Coast Guard mission as a ratio of total resource hours incurred on all missions.

Using data recorded in the three general ledgers (CAS, NESSS, and ALMIS) in combination with asset activity data recorded in AOPS and ALMIS, the Coast Guard allocates O&S costs to each of the 11 statutory missions. By design, the MCM is based on the O&S decision unit. PC&I and R&D decision units must be calculated separately, due to the structure of the PC&I and R&D decision units, which are presented as individual projects in the Coast Guard's budget submission. Within PC&I and R&D, individual projects are allocated to missions based on an established profile (largely based on utilization). The drug interdiction attributions of each of these projects are then combined to determine the total contribution to the drug interdiction mission.

The program percentages derived from the MCM are applied to O&S, PC&I, and R&D decision units per the above methodology (see Attachments A, B, and C, respectively). Obligation data is derived from the final financial accounting Report on Budget Execution (SF-133).

As previously discussed, because the USCG budgets through congressionally established appropriations (rather than individual missions), the organization must rely on information contained within the activity based MCM. USCG uses this MCM data to determine financial obligations specifically related to statutory missions, including Drug Interdiction. This appropriation structure supports multi-mission requirements by allowing the service to surge and shift resources across all missions. This level of resource flexibility is critical to successful mission execution in our dynamic, operational environment. However, such a structure makes it difficult to precisely determine the cost of a particular mission or the "level of effort"

expended in carrying out in each mission. The MCM provides the USCG with a reliable, repeatable system that forecasts future year spending and estimates previous year obligations by mission.

3. Methodology Modifications

The methodology described above is consistent with the previous year.

4. Material Weaknesses or Other Findings

In prior fiscal years and FY21, the USCG contributed to DHS material weaknesses in the following internal control areas: Financial Reporting and Information Technology Controls and Information Systems. Following the recommendations providing in the previous DHS Independent Auditors' Reports, the USCG has continued to implement corrective action plans to remediate long-standing internal control deficiencies, strengthen existing internal controls, and provide assurance over the fidelity of financial information.

The USCG's control deficiencies that contributed to the department-level material weaknesses did not impair USCG's ability to report complete and accurate obligation data in the Table of FY 2021 Drug Control Obligations. The USCG control deficiencies that contributed to the material weaknesses in Financial Reporting and IT Controls and System Functionality were related to the USCG's three accounting systems. However, the deficiencies were primarily related to access controls, and the USCG had sufficient compensating controls in place to ensure that budgetary data (i.e. obligations) was presented fairly, in all material respects.

5. Reprogrammings or Transfers

During FY 2021, USCG had reprogrammings and transfers. As a component of DHS, the USCG submits all reprogramming and transfer requests through the Department for approval, and the impact of these changes to funding is assessed by the Department. In FY 2021, the Department determined there were no reprogrammings or transfers that materially impacted USCG's drug-related obligations reported in the Table of FY 2021 Drug Control Obligations.

6. Other Disclosures

The following provides a synopsis of the USCG's FY 2021 Drug Control Funds reporting which describes:

1. The agency's overall mission and the role of drug interdiction efforts within the USCG's multi-mission structure; and
2. The USCG's Drug Budget Submission.

Coast Guard Missions

The USCG is a military service with mandated national security and national defense responsibilities, and is the United States' leading maritime law enforcement agency with broad, multi-faceted jurisdictional authority. Due to the multi-mission nature of the USCG and the necessity to allocate the effort of a finite amount of assets, there is a considerable degree of asset "cross-over" between missions. This cross-over contributes to the complexities the USCG faces when reporting costs for its mission areas.

Coast Guard's Drug Budget Submission

In the annual National Drug Control Strategy (NDCS) Budget Summary, all agencies present their drug control resources broken out by function and decision unit. The presentation by decision unit is the one that corresponds most closely to the USCG's congressional budget submissions and appropriations. It should be noted and emphasized the USCG does not have a specific appropriation for drug interdiction activities. As such, there are no financial accounting lines for each of the USCG's 11 statutory missions. All drug interdiction operations, capital improvements, and research and development efforts are funded through general USCG appropriations.

The USCG's drug control budget is generally an accurate reflection of the USCG's overall budget. The USCG's O&S appropriation budget request is incremental, focusing on the changes from the prior year base brought forward. The USCG continues to present supplementary budget information through the use of the MCM, which allocates base funding and incremental requests by mission.

This general purpose MCM serves as the basis for developing drug control budget estimates for the O&S appropriations and provides allocation percentages used to develop the drug control estimates for the PC&I and R&D appropriations and the process is repeatable. Similarly, this is the same methodology used to complete the USCG's annual submission to ONDCP.

Assertions

1) Obligations by Budget Decision Unit

Obligations reported by budget decision unit are consistent with the application of the approved methodology, as required by ONDCP Circular: *Budget Formulation*, Section 7, issued September 9, 2021, for calculating drug control funds against the Coast Guard's accounting system of record.

2) Drug Methodology

The methodology used to produce the drug interdiction funding in this report is reasonable and accurate. This methodology is consistently used by the USCG to develop annual budget year submissions and mission related reports. The criteria associated to this assertion are as follows:

- a) Data – The percentage allocation results derived from its MCM methodology are based on the FY 2021 financial and AOPS/ALMIS data, as presented in the USCG's FY 2021 enacted budget submission.

Financial Systems – The MCM uses costs from three general ledgers (GL). These include; the CAS GL, the NESSS GL, and the ALMIS GL. These financial systems yield data that fairly presents, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

3) Application of Drug Methodology

The methodology disclosed in this section was the actual methodology used to generate the drug control obligation funding table required by ONDCP Circular: *National Drug Control Program*

Agency Compliance Review, issued September 9, 2021. Documentation on each decision unit is provided.

4) Material Weakness or other findings

All material weaknesses or other findings by independent sources, which may affect the presentation of prior year drug-related obligations as required by section 7.a(4) have been disclosed.

5) Methodology Modifications

No modifications were made to the methodology for reporting drug control resources for the previous year's reporting.

6) Reprogrammings or Transfers

During FY 2021, the Coast Guard had no reports of transfers or reprogramming actions affecting drug related budget resources, individually or in aggregate, exceeding \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

7) Fund Control Notices

ONDCP did not issue the Coast Guard a Fund Control Notice for FY 2021.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
Report Distribution

Department of Homeland Security

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Assistant Secretary for Public Affairs
Assistant Secretary for Office of Legislative Affairs

U.S. Coast Guard

Commandant
Chief Financial Officer
Audit Liaison

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Chief, Homeland Security Branch
DHS OIG Budget Examiner

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Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

OFFICE OF INSPECTOR GENERAL

**Review of U.S. Coast
Guard's Fiscal Year 2021
Drug Control Budget
Formulation Compliance
Report**



Homeland
Security

January 28, 2022

OIG-22-23



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

January 28, 2022

MEMORANDUM FOR: Admiral Karl L. Schultz
Commandant
U.S. Coast Guard

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V** Digitally signed by
Inspector General **CUFFARI** JOSEPH V CUFFARI
Date: 2022.01.27
17:19:21 -05'00'

SUBJECT: *Review of U.S. Coast Guard's Fiscal Year 2021 Drug
Control Budget Formulation Compliance Report*

Attached for your information is our final report, *Review of U.S. Coast Guard's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report*.

U.S. Coast Guard's (USCG) management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the Office of National Drug Control Policy's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review USCG's Drug Control Budget Formulation Compliance Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 19, 2022, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act of 1978*, as amended, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits at (202) 981-6100.

Attachment

cc: COMDT (CG-8), USCG



DHS OIG HIGHLIGHTS

Review of U.S. Coast Guard's Fiscal Year 2021 Drug Control Budget Formulation Compliance Report

January 28, 2022

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 of each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the report and provide a conclusion about the reliability of each assertion made in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the U.S. Coast Guard's (USCG) FY 2021 Drug Control Budget Formulation Compliance Report. USCG management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that USCG's FY 2021 Budget Formulation Compliance Report and related assertions are not presented in conformity with the criteria in the ONDCP Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) of the U.S. Department of Homeland Security's (DHS) United States Coast Guard (USCG) for the year ended September 30, 2021. USCG management is responsible for the preparation of the BFCR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about the BFCR based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR or related assertions for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether USCG's BFCR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Among other requirements, the Circular requires USCG to submit their summer drug budget directly to ONDCP at the same time their budget requests are provided to their agency heads. Based on our review, we determined USCG did not submit its summer drug budget to ONDCP directly. Rather, USCG submitted its summer drug budget to the DHS Budget Division Formulation Team for subsequent transmission to ONDCP. Although the process utilized does not align to the Circular requirements, because USCG's assertion is accurate, our conclusion is not modified.

Based on our review, we are not aware of any material modifications that should be made to the BFCR or related assertions for the year ended September 30, 2021, in order for them to be in conformity with the requirements set forth in the Circular.

This report is intended solely for the information and use of DHS Office of Inspector General, USCG, and the Office of National Drug Control Policy, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP

Washington, D.C.
January 19, 2022

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

2703 Martin Luther King Jr. Ave. SE
Washington, DC 20593
Staff Symbol: CG-821
Phone: (202) 372-2307

7110

JAN 19 2022

Regina M. LaBelle
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. LaBelle,

In accordance with the Office of National Drug Control Policy Circular: *Budget Formulation*, issued September 9, 2021, enclosed is the Coast Guard's FY 2021 Budget Formulation Compliance Report.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Ben Leuthold, (202) 372-2307.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. C. Barata".

D. C. Barata
Captain, U.S. Coast Guard
Chief, Office of Budget and Programs

Enclosures: (1) USCG FY 2021 Budget Formulation Compliance Report

Copy: Department of Homeland Security, Office of the Chief Financial Officer, Budget Division

United States Coast Guard Fiscal Year 2021 Budget Formulation Compliance Report (BFCR)

Summer Budget Formulation Information

- 1) The Coast Guard's Fiscal Year 2023 Summer Drug Budget Transmittal, was provided to the Department of Homeland Security (DHS) on 6 July, 2021, for further transmission to ONDCP in accordance with ONDCP Circular: Budget Formulation Section 9.a.(1).
- 2) Fiscal Year 2023 Summer Drug Budget Resource Summary Table was provided to the Department of Homeland Security (DHS) on 6 July, 2021, for further transmission to ONDCP in accordance with ONDCP Circular: Budget Formulation Section 9.a.(2).

FY 2023 Summer Budget and Performance Summary DEPARTMENT OF HOMELAND SECURITY

United States Coast Guard (USCG)

Resource Summary

Budget Authority (in Millions)				
	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Summer Budget	
Drug Resources by Function				
Interdiction	\$2,074.570	\$2,038.247		
Research and Development ¹	\$1.490	\$1.112		
Total Drug Resources by Function	\$2,076.060	\$2,039.359		
Drug Resources by Decision Unit				
Operations & Support	\$1,355.480	\$1,435.296		
Procurement, Construction, & Improvements	\$719.090	\$602.951		
Research & Development ¹	\$1.490	\$1.112		
Total Drug Resources by Decision Unit	\$2,076.060	\$2,039.359		
Drug Resources Personnel Summary				
Total FTEs (direct only)	7,680	7,732		
Drug Resources as a Percent of Budget				
Total Agency Budget (in Billions)	\$13.1	\$13.1		
Drug Resources Percentage	15.88%	15.56%		

Assertions

1) Timeliness:

I assert the Fiscal Year 2023 Summer Drug Budget transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 6, 2021, for further transmission to ONDCP in a timely manner.

2) Funding Levels Represent Bureau-Level Request:

I assert that the funding request in the submission provided on 6 July, 2021, in response to the requirement of ONDCP Circular: Budget Formulation, Section 6.a.(2) , represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.



OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Appendix A
Report Distribution

Department of Homeland Security

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Office of the Chief Financial Officer

U.S. Department of Homeland Security
1120 Vermont Avenue NW
Washington, D.C. 20005



Science &
Technology

March 14, 2022

Dr. Rahul Gupta,
Director, Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Mr. Gupta,

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, enclosed is the Science and Technology Directorate's detailed accounting report for FY 2021.

In accordance with ONDCP Circular dated September 9, 2021, to the best of my knowledge, all the information provided in the attached report are accurate and complete.

If you have any questions, please contact me at 202-254-8317.

Sincerely,

RONNYKA V
FITZPATRICK

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FITZPATRICK
Date: 2022.03.14 14:54:54 -04'00'

Ronnyka Fitzpatrick
Chief Financial Officer
Science and Technology Directorate

Enclosure:
Detailed Accounting Report

FY 2021 DETAILED ACCOUNTING REPORT
DEPARTMENT OF HOMELAND SECURITY
SCIENCE AND TECHNOLOGY DIRECTORATE

DRUG CONTROL FUNDING OBLIGATIONS

Budget Authority (in millions)	FY 2021 Enacted	FY 2021 Obligations
Research and Development: Interdiction		
Opioid/Fentanyl Detection	\$6.0	\$4.6
Total Drug Resources by Function	\$6.0	\$4.6

DRUG METHODOLOGY

S&T's methodology is based on research, development, test, and evaluation (RDT&E) projects that directly support drug control efforts. Since the projects directly support drug interdiction, it was determined that the entirety of project resources was used for calculating S&T's drug control efforts.

The obligations reported by Budget Decision Unit are the actual obligations derived from the accounting system of record and are consistent with the approved methodology for calculating drug control funding.

APPLICATION OF DRUG METHODOLOGY

The drug methodology disclosed in the Drug Methodology section above, was the actual methodology used to generate the table above.

METHODOLOGY MODIFICATIONS

There are no modifications to the drug methodology for 2021 from the previous fiscal year 2020.

MATERIAL WEAKNESSES OR OTHER FINDINGS

There are no identified weaknesses which may affect the presentation of prior year drug-related obligation data.

REPROGRAMMINGS OR TRANSFERS

The data presented is associated with obligations against a financial plan and if revised during the year properly reflects those changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate for the Fiscal Year exceed \$5.0M or 10% of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

S&T had no drug related reprogrammings or transfers in FY 2021.

OTHER DISCLOSURES

There is no other disclosure necessary to clarify any issues regarding the data reported

under this circular.

FUND CONTROL NOTICES

Data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

Tab I



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, DC 20240

JULY 9, 2021

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget Coordinator

From: Director, Bureau of Indian Affairs, Office of Justice Services

Subject: ONDCP Summer Drug Budget and Performance Submission

In accordance with ONDCP Circular: Budget Formulation, October 22, 2019, the U.S. Department of the Interior, Bureau of Indian Affairs hereby submits the attached report relaying the BIA Summer Budget Request to the Department of the Interior.

The BIA budget does not include additional funding to increase the BIA's level of effort upholding the Indian Child Welfare Act, providing prevention, treatment, harm reduction, and recovery as ONDCP recommended to Secretary Haaland in its transmittal letters accompanying 2023 ONDCP Formulation Guidance. When formulating its budget BIA protected the 2022 PB level of effort for BIA drug enforcement programs, but other priorities of tribes precluded proposing increases.

Please note, the amounts displayed were re-baselined as a result of Congressional language contained on page 58 of Senate Report 116-123 to the FY 2020 Department of the Interior appropriations bill. The language removed a previous Opioid Initiative designation on \$3.0 million that is recurring annual funding distributed to local BIA and tribally operated law enforcement agencies. Absent the designation, BIA cannot certify that the \$3.0 million is spent solely on drug enforcement activities, thus the amount is not reflected in the budget table.

If you have questions, please contact Jason O'Neal, Director, BIA - Office of Justice Services at (202) 208-5039.

Attachment

BIA: FY 2023 Summer Submission

	Budget Authority (in Millions)	
	FY 2021 Final	FY 2022 Request
Drug Resources by Function		
Intelligence	\$0.500	\$0.500
Investigations	13.419	13.419
Prevention	1.000	1.000
Total Drug Resources by Function	\$14.919	\$14.919
Drug Resources by Decision Unit		
Drug Initiative	\$14.919	\$14.919
Total Drug Resources by Decision Unit	\$14.919	\$14.919
Drug Resources Personnel Summary		
Total FTEs (direct only)	78	78
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$3.0	\$2.4
Drug Resources Percentage	0.3%	0.3%







United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, DC 20240

FEBRUARY 14, 2022

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Director, Office of National Drug Control Policy

From: Director, Bureau of Indian Affairs, Office of Justice Services

Subject: Office of National Drug Control Policy (ONDCP) 2021 Accounting and Performance Summary Report – Indian Affairs

JASON
O'NEAL

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O'NEAL
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In accordance with ONDCP Circular: *National Drug Control Program Agency Compliance Reviews, September 9, 2021* (the Circular), the U.S. Department of the Interior, Bureau of Indian Affairs hereby submits the attached Accounting and Performance Summary Report on BIA drug control activities for fiscal year 2021, the last completed fiscal year.

This submission follows the requirements for alternative reports allowed under the Unreasonable Burden Exception in Section 10 of the Circular. The Director, BIA - Office of Justice Services, attests that the Bureau's drug control obligations are under \$50 million, and full compliance with the Circular would constitute an unreasonable reporting burden. Pursuant to the Unreasonable Burden Exception, the alternative report meets the statutory requirement to provide an annual accounting of funding obligations and performance associated with BIA drug control activities.

If you have questions, please contact Jason O'Neal, Director, BIA - Office of Justice Services at (202) 208-5787.

Attachment

ONDCP 2021 Accounting Report – Bureau of Indian Affairs

Drug Control Funding Obligations

(1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

Drug Control Funding Obligations - FY 2021		
Drug Control Functions:		(Thousands)
	Criminal Investigations and Police Services	13,419
	Special Initiatives	1,000
	Indian Police Academy (Training)	500
	Total All Functions	14,919
Budget Decision Unit:		
	BIA Office of Justice Services	14,919
	Total All Decision Units	14,919
	Total Actual FTE (Direct ONLY)	77

(2) Drug Methodology

BIA does not have a specific appropriation for drug control functions. The BIA uses a combination of unique Functional Areas and Cost Centers within the FBMS accounting system to track funds allocated to, and costs/expenditures of, this function.

(3) Methodology Modifications

NA

(4) Material Weaknesses or Other Findings

NA

(5) Reprogrammings or Transfers

NA

(6) Other Disclosures

NA

Assertions

(1) Obligations by Budget Decision Unit

The BIA uses a combination of unique Functional Areas and Cost Centers within the FBMS accounting system to track funds allocated to, and costs/expenditures of, this function.

(2) Drug Methodology

The BIA asserts that the drug methodology used to report obligations is based on reliable data.

- a) Data – The BIA utilizes an enterprise-wide system of records known as the Incident Management, Analysis and Reporting System (IMARS), which provides a unified system for Department of the Interior law enforcement agencies to manage law enforcement investigations, measure performance and meet reporting requirements. In concert with incident reporting, review, and data validation requirements established through agency policy, IMARS provides the BIA with the ability to

reliably capture and accurately report performance data. In addition, BIA collects and analyzes monthly drug and crime reports provided by each tribal and direct service law enforcement agency.

- b) Financial Systems – The BIA utilizes the FBMS financial system to determine spending by cost center for drug control efforts.

(3) Application of Drug Methodology

The BIA asserts that the drug methodology described above was the actual methodology used to generate the accounting table provided.

(4) Material Weaknesses or Other Findings

NA

(5) Methodology Modifications

NA

(6) Reprogrammings or Transfers

NA

(7) Fund Control Notices

The BIA asserts that the data presented are associated with obligations against a financial plan that fully complies with ONDCP requirements.

This submission follows the requirements for alternative reports allowed under the Unreasonable Burden Exception in Section 10 of the Circular. The Director, BIA - Office of Justice Services, attests that the Bureau's drug control obligations are under \$50 million, and full compliance with the Circular would constitute an unreasonable reporting burden. Pursuant to the Unreasonable Burden Exception, the alternative report meets the statutory requirement to provide an annual accounting of funding obligations and performance associated with BIA drug control activities.

JASON
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Date: 2022.02.14
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Director, BIA Office of Justice Services

2/14/2022

Date

ONDCP Performance Summary Review

Program

The Bureau of Indian Affairs (BIA), Office of Justice Services' (OJS), mission is to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian tribes, and Alaskan Natives.

The BIA, OJS strives to uphold tribal sovereignty and customs and provide for the safety of Indian communities by ensuring the protection of life and property, enforcing laws, maintaining justice and order, and by confining American Indian offenders in safe, secure, and humane environments. OJS directly operates or funds law enforcement, tribal courts, and detention facilities on Federal Indian lands.

Performance Introduction

In FY 2021, the BIA, OJS strengthened its response to an observed increase in drug activity on Indian lands throughout the United States. Information provided in this report reflects investigative activity on routine investigations, as well as complex, drug trafficking investigations. The BIA Division of Drug Enforcement (DDE) agents have expanded their skillsets, through training and increased collaboration, leading to highly technical investigations, such as court ordered Title III wire intercept and Organized Crime Drug Enforcement Task Forces (OCDETF) cases.

In FY 2021, the BIA Division of Drug Enforcement and tribal governments continued to be impacted by the COVID-19 nationwide pandemic, which resulted in some continued reservation closures. This year, a number of DDE employees were quarantined for their health and the safety of others, sometimes multiple times for short periods. Federal and Tribal courts also continue to be impacted by the pandemic which resulted in modified schedules, delayed caseloads, and stopped grand jury hearings. Many jurisdictions however, did begin the transition back to pre-pandemic operations or implement adaptive operational measures. For instance, the Indian Police Academy modified the presentation mode of standard training and developed numerous virtual trainings for law enforcement. This resulted in a higher number of public safety personnel receiving training during the reporting year.

Drug-related activity in Indian Country is a major contributor to violent crime and imposes serious health and economic difficulties on Indian communities. In FY 2021, Indian Country saw a 35.6% increase in drug cases worked and a 37% increase in drug related arrests made. Also, DDE increased its performance on closure of drug related cases to 75%. The multi-year increases in the overall cases worked continued to demonstrate the successful partnerships formed by BIA OJS. The BIA DDE also continued to provide technical assistance and training to Indian Country law enforcement.

Partnerships among DDE, DEA, FBI, HSI, BIA police and tribal officers have been particularly important. DDE agents are responsible for managing drug investigations and providing direct technical assistance to reduce the effects of drugs and drug-related crime in Indian Country. Though FY2021

operations were still affected by the COVID-19 pandemic, DDE's drug investigative efforts and technical assistance provided to tribes have resulted in a total number of annual drug cases worked in Indian Country that is closer to pre-pandemic levels.

Illegal marijuana, cocaine, heroin, and prescription drugs continue to cause devastating effects on tribal families and communities. In FY 2021, DDE agents continued their involvement in drug trafficking conspiracy cases that resulted in numerous drug related arrests and exponential increases in seizures of illegal marijuana, cocaine, heroin, and prescription drugs across Indian Country. Specifically, in response to the increased availability of heroin and fentanyl to Indian Country communities, DDE agents expanded their efforts to identify and disrupt heroin and fentanyl trafficking organizations. DDE agents continued to focus on trafficking organizations that continue to be the largest supplier of methamphetamine throughout Indian Country. DDE agents also continued to work prescription drug cases and illegal drug trafficking along the US border. DDE agents continue to address the illegal cultivation of marijuana throughout Indian Country.

Following a discussion of the budgeted drug related initiatives under OJS, this report details performance measures and achievements for the latest years for which data is available. Data was gathered and verified from the OJS crime statistics database, the Department of the Interior (DOI) Incident Management, Analysis, and Reporting System (IMARS), and the DDE case log.

BIA Drug Initiative

FY 2021 Enacted: \$14.919 million (level funding from FY 2020)

The amounts displayed for fiscal years 2020 and beyond were re-baselined as a result of Congressional language contained on page 58 of Senate Report 116-123 to the FY 2020 Department of the Interior appropriations bill. The language removed a previous Opioid Initiative designation on \$3.0 million that is recurring annual funding distributed to local BIA and tribally operated law enforcement agencies. Absent the designation, BIA cannot certify that the \$3.0 million is spent solely on drug enforcement activities.

Drug-related activity in Indian country is a major contributor to violent crime and imposes serious health and economic difficulties on Indian communities. Methamphetamine, heroin and prescription drugs continue to cause devastating effects on tribal families and communities.

The Drug Initiative is funded within the Law Enforcement sub activity, which is comprised of eight areas: Criminal Investigations and Police Services; Detention/Corrections; Inspections/Internal Affairs; Law Enforcement Special Initiatives; the Indian Police Academy; Tribal Justice Support; Program Management; and Facilities Operations and Maintenance. Within BIA's Law Enforcement sub activity, funding is provided for initiatives involving drug enforcement. Ensuring the safety of tribal communities is at the heart of Indian Affairs' law enforcement mission and fully supports the Secretary's commitment to the protection of Indian Country.

In FY 2021, \$11.919 million supported drug enforcement efforts that allowed BIA Drug Enforcement Officers (DEOs) to manage investigations and implement interdiction programs focused on reducing the effects of drugs and related crime in Indian Country. The activities performed by DEOs include: eradicating marijuana cultivation; conducting criminal investigations; directing criminal surveillance

operations; infiltrating drug trafficking networks; confiscating illegal drug supplies; and establishing and maintaining cooperative relationships with other Federal, state, local, and tribal law enforcement organizations in the efforts against drug-related activity.

During the year, \$1.0 million in funding continued to support the School Resource Officer (SRO) program, which has proven to be an important part of the OJS drug initiative. SROs provide instruction in drug awareness and gang resistance, using nationally recognized and adopted curriculum to educate students on the negative aspects of illegal drug use and gang activity. The SRO program allows interaction of officers and students in the student's environment, where these SROs play key roles in providing a visual deterrent to and identifying potential threats of school violence.

Another \$1.0 million was used to fund the Victim/Witness Services (VWS) program, which provides needed support to cooperative witnesses and victims of violent and drug crimes. The protection of witnesses and victims is essential during drug investigations, and VWS can provide this needed attention to victims and witnesses at the local level when other resources are not available. Additionally, VWS staff provides guidance to tribes in developing their own VWS programs. VWS also includes an effort to assess existing victim/witness programs and expand them to all BIA law enforcement districts.

The 2021 budget also provided \$500,000 to support the Intelligence group tasked with intelligence gathering, reporting, and investigative support needed in all parts of Indian Country for assistance in drug investigations. With this component, national, regional, and local threat assessments can be established in real time and presented to law enforcement agencies working on or near Indian Country.

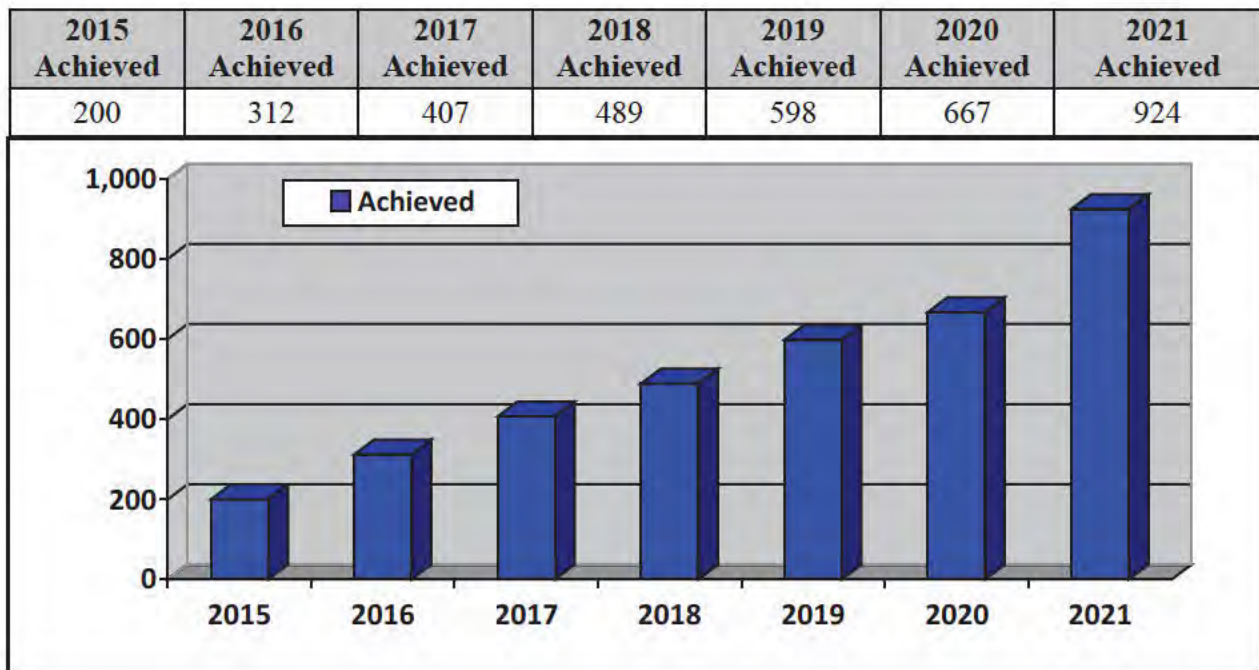
Approximately \$500,000 of the Indian Police Academy (IPA) budget plays a critical role in BIA drug enforcement efforts as well. Through the academy, BIA provides advanced training courses with content specific to drug enforcement to law enforcement officers that assist in drug investigations throughout the nation. Also, students that graduate from Basic Police and/or Criminal Investigator Training have completed an introduction to drug awareness and investigations component. The requested funding will continue to address the highly visible drug crisis in Indian Country through anti-drug efforts and training for BIA and Tribal officers.

Performance Measure One: Number of Patrol Officers Receiving Drug Training

In FY 2021, BIA-OJS trained a total of 924 Indian Country law enforcement/correctional officers in opioid identification and enforcement, representing a 38.5% increase over the FY 2020 figure. The significant increase is due to growing participation in virtual on-line training made available because of the Covid pandemic. Specifically, one hundred thirty-four (134) attended Indian Country Police Officer Training Program which includes opioid, drug identification, and investigation. Eighty-four (84) attended Indian Country Correctional Officer Training Program. Twenty-two (22) police officers completed the Police Officer Bridge Training Program. Twelve (12) completed the DOI-Investigator Training Program and seven (7) completed Criminal Investigator Training Program which includes opioid, drug identification and investigation. One hundred four (104) officers attended various advanced courses which included opioid drug identification, enforcement, and patrol drug investigation-specifically in programs such as BIA/DEA Strategic Drug Workshop, Indian Country Criminal Investigator Training Program, and Narcotics Investigation Training Program. Thirty-two (32) law enforcement officers attended the opioid community awareness training event. Three hundred sixty-eight

(368) law enforcement officers and special agents completed online virtual training in Opioid Crisis Protecting our First Responders and Narcotics Enforcement Levels 1-2. One hundred sixty-one (161) correctional officers completed Current Drug Trend training.

In FY 2021, BIA continued efforts to address the opioid epidemic devastating many communities throughout the country. The DDE continues to work with the Indian Health Service (IHS) and the Indian Police Academy to train current BIA law enforcement instructors to be training instructors on the use of Naloxone. Naloxone, also known as “Narcan” among other names, is a medication used to reverse the effects of opioids especially in an overdose. Naloxone is most commonly administered by law enforcement through a spray into the nasal passages, which usually causes the drug to act within a minute, and last up to 45 minutes. Every BIA officer/agent is supplied with Naloxone to carry while on patrol in the tribal communities they serve.



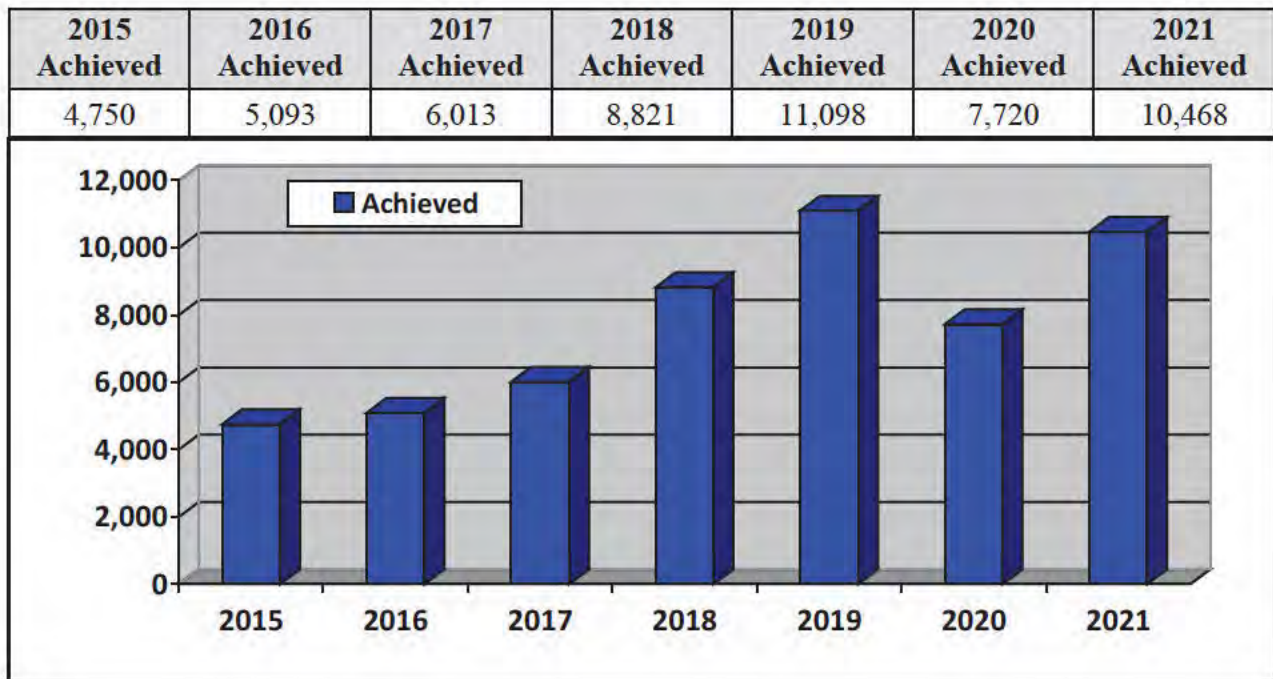
Performance Measure Two: Percent increase in drug cases worked

In FY 2021, there has been an overall increase of approximately 35.6% in the number of drug cases across all Indian Country law enforcement programs. We believe the percentage increase of drug cases worked by all Indian Country law enforcement programs (BIA, DDE, and Tribal) is attributable to an ongoing transition back to pre-pandemic operations for these organizations.

The number of drug cases reported and tracked is gleaned from data provided on monthly drug statistical reports provided by BIA and tribal police programs, the DOI IMARS system, and the DDE case log. Data provided by BIA and tribal police programs are maintained by OJS for monthly and annual submissions.

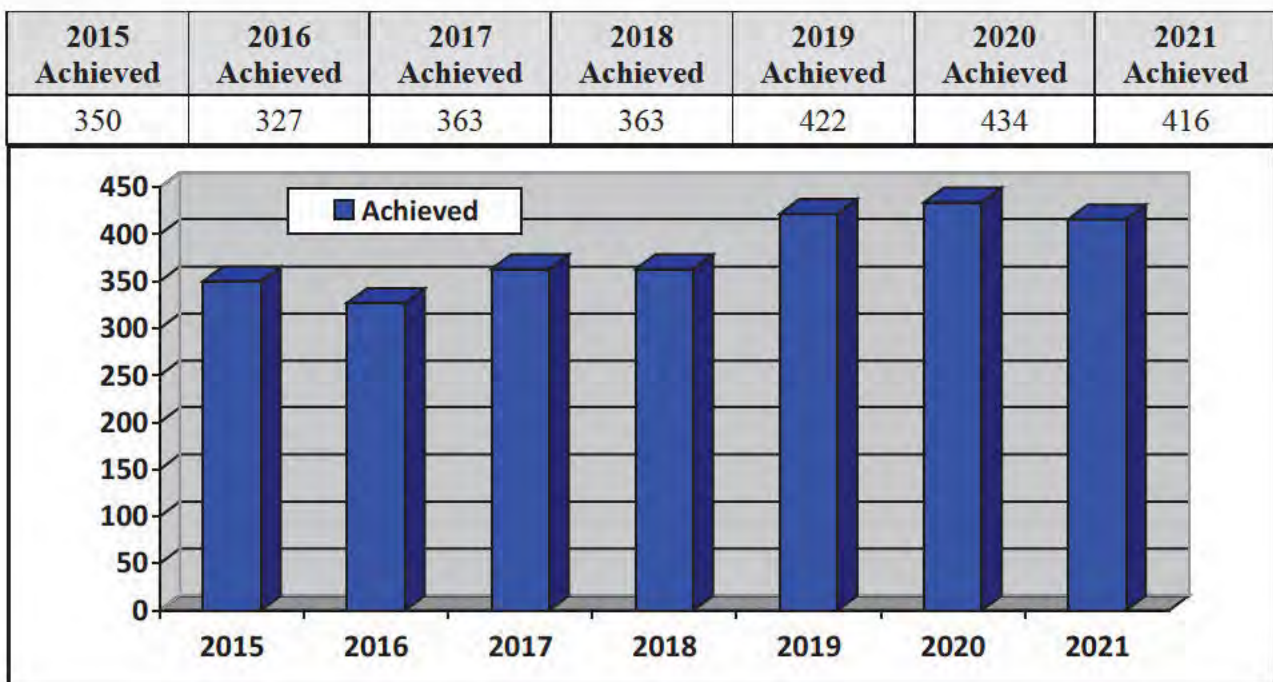
Indian Country continues to see disproportionately high use and distribution of illegal narcotics on reservations as compared to non-Indian areas. The following information documents a 35.6% increase in

the cases worked by all Indian Country law enforcement programs (BIA, DDE, and Tribal) compared to FY 2020.



The following information documents the cases worked as reported specifically by the BIA-DDE. These figures demonstrate a slight 4.15% decrease in cases worked during FY 2021.

The decrease of cases worked by BIA-DDE resulted primarily from standard workforce protocols related to the COVID-19 nationwide pandemic. During FY 2021, DDE was required to quarantine numerous staff for their health and safety, and that of others, and in some cases multiple times, for separate 14-day periods.



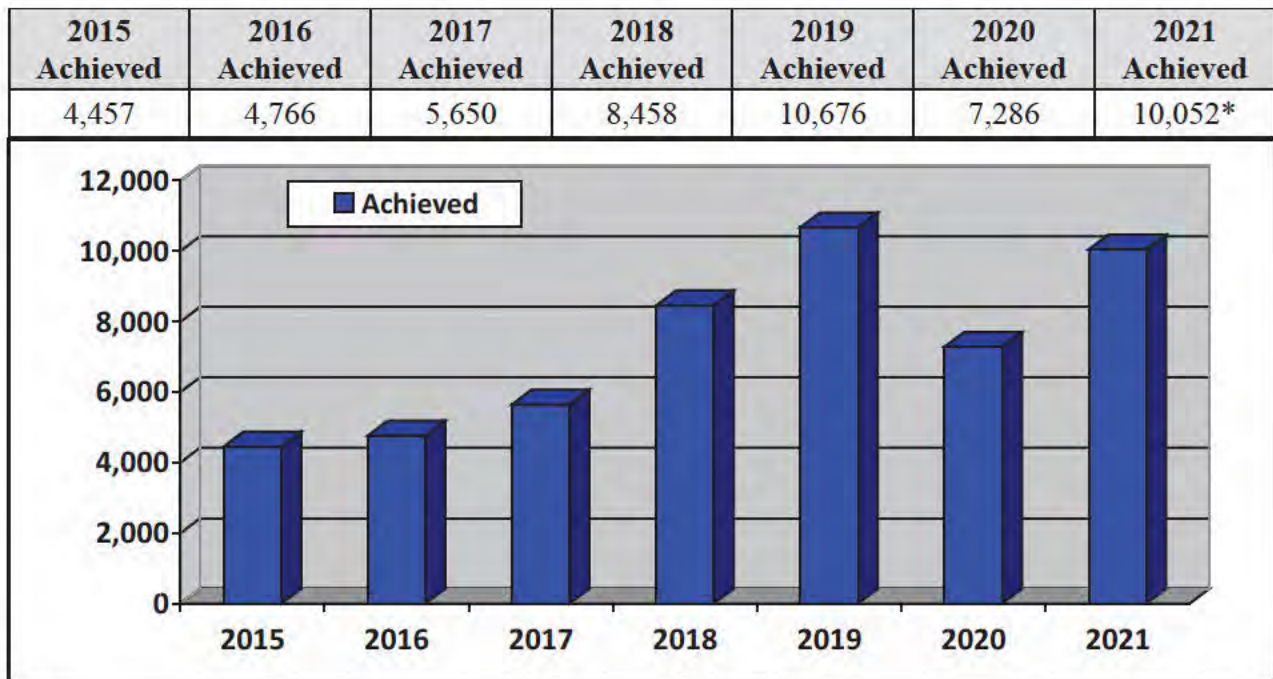
Performance Measure Three: Increase in the percent of cases closed by arrest, indictment or referral.

In FY 2021, DDE achieved a 75% case closure rate. As Indian Country law enforcement programs (BIA, DDE, and Tribal) transitioned back to pre-pandemic operations during FY 2021, DDE experienced greater access to case-related information from federal, state and tribal partners. The 21% increase from FY 2020 achievement better reflects the historical strength of these partnerships in closing cases.

DDE opened 416 cases in FY 2021, 310 of which were closed by arrest, indictment, or referral to another agency; 106 cases remain open and under active investigation. All DDE investigations are conducted within reservation boundaries or upon trust/allotted lands or hold a direct nexus to Indian Country.



The following information documents the cases worked as reported by BIA Field Operations and tribal police departments. These figures demonstrate an overall **increase** of approximately **38%** in cases worked in FY 2021. The percentage increase of drug cases worked by BIA Field Operations and tribal police departments can be attributed to the prior year's increase in staffing levels and completion of training.



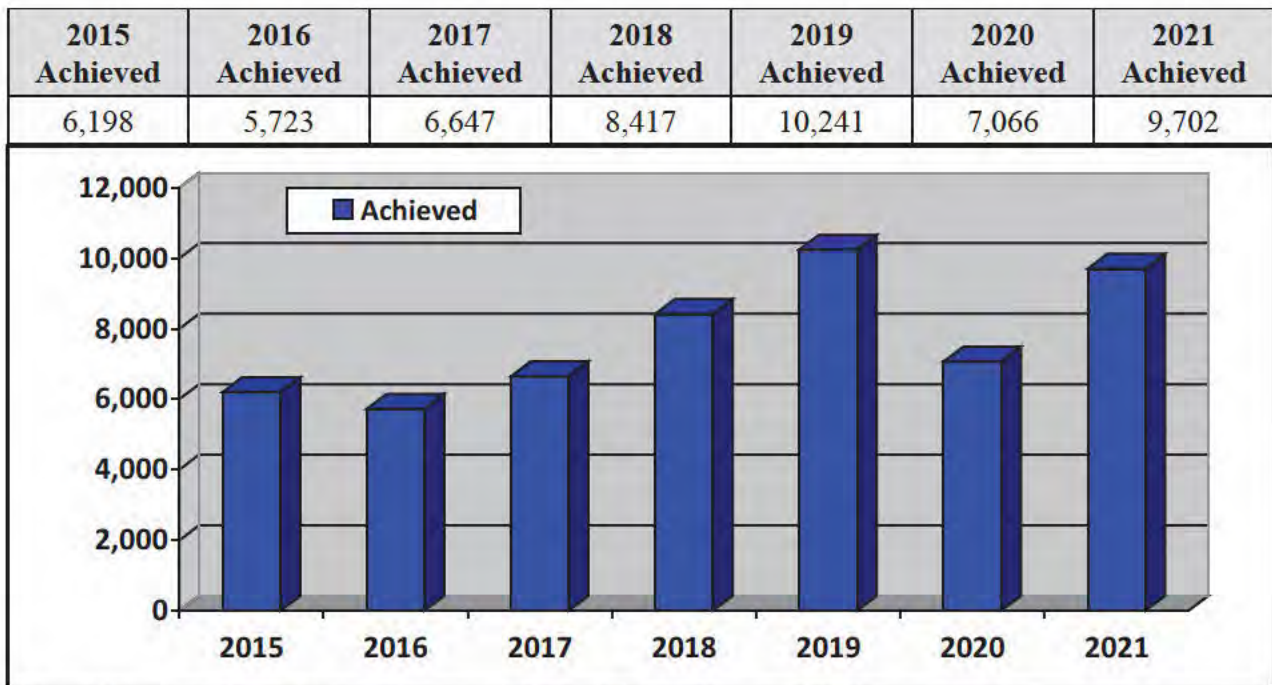
** (Total cases in IC 10,468 minus 416 DDE equals FY 2020 figure) The preceding information was obtained from the monthly statistical reports and IMARS database.*

Information regarding the performance of the drug control efforts of BIA is based on agency 2010 Government Performance Results Modernization Act (GPRMA) documents and other information that measure the agency’s contribution to the *Strategy*. The BIA OJS has historically experienced challenges gathering accurate data using systems developed by the BIA IT division or its contractors. To assist with data collection, in FY 2014, the BIA began using the newly developed IMARS system to capture crime data, which will include drug information for DDE.

To show an accurate portrayal of the serious drug issues occurring throughout Indian Country, BIA relies heavily on tribal and BIA field programs to submit their monthly drug statistics to a BIA Program Analyst stationed in each BIA District Office. Historically, tribal and BIA field program monthly drug report submissions have been minimal in some regions, creating a disparity between what is being reported to BIA and the actual number of drug offenses occurring in Indian Country. The data discussed below were gathered and verified from the IMARS database and the DDE case log.

Percent increase in number of drug related arrests

DDE agents are responsible for managing drug investigations and providing direct technical assistance to tribal programs necessary to reduce the effects of drugs and drug-related crime in Indian Country. Through this technical assistance, the BIA has formed effective partnerships with tribal law enforcement programs. Tribal drug-related arrests showed an **increase** of 37.3% from the FY 2020 figure, which is consistent with measure two results: a 35.6% increase in the overall number of drug cases reported throughout Indian Country. As with measure two, we attribute this increase to an ongoing transition back to pre-pandemic operations for tribal law enforcement agencies.



Note: The preceding information was obtained from the monthly drug report.

Performance Measure Four: Increase in the amount of drugs seized

The following information documents drug seizures accomplished by the combined efforts of DDE, BIA and tribal police programs. These figures submitted by the field programs demonstrate an overall **increase** of approximately **1,594.44%** in total drugs seized by BIA law enforcement programs in FY 2021. This significant increase from the previous year is attributed to multiple BIA-DDE Mobile Enforcement Team (MET) operations for large scale illegal marijuana eradications in Indian Country and an overall increase in the number of MET operations conducted during FY 2021.

The DDE schedules and deploys MET operations based on requests received from tribes. The DDE responds to these reservations with special agents and officers for the purpose of conducting undercover narcotic and highway interdiction operations. The operations will typically range from 4 to 14 days, during which time the MET focuses solely on that specific reservation. In addition, MET teams also conduct marijuana eradication operations throughout Indian Country, where DDE agents identify illegal marijuana grow operations, seize all contraband and arrest identified offenders.

In FY 2021, DDE conducted a total of 22 MET operations nationwide, compared to a total of 10 MET operations conducted in FY 2020. The significant increase in the amount of drugs seized, is in large part attributed to two large marijuana eradication operations which took place during the reporting period. These two seizures alone resulted in approximately 131,114 pounds of criminally cultivated marijuana being seized.

Illegal marijuana, cocaine and heroin continue to be the most prevalent drugs seized from enforcement operations in Indian Country. Field agents reported an increase in heroin and cocaine availability in Indian Country and the abundance of methamphetamine being distributed by Mexican cartels has resulted in lower pricing and greater access to methamphetamines.

The below numbers depict the overall Indian Country drugs seized from FY 2015 through FY 2021. The totals were derived from the OJS crime statistics database, which includes the monthly drug reports submitted by tribal programs, the DOI IMARS system, and the DDE case logs.

Amount of Drugs Seized							
	2015 Achieved	2016 Achieved	2017 Achieved	2018 Achieved	2019 Achieved	2020 Achieved	2021 Achieved
Cocaine Powder	1.00	105.70	54.15	34.19	96.8	38.5	797.4
Cocaine Crack	0.758	0.375	0.60	110.56	1.0	1.4	0.56
Heroin	5.74	67.83	16.49	47.89	42.1	64.5	162.9
MDMA (Ecstasy)	.002	29.16	0.29	.33	7.7	2.6	1.5
Meth Crystal	64.90	64.21	56.13	248.21	72.6	336	188.36
Meth Powder	0	20.93	34.88	264.46	475.7	1,019.9	880.4
Processed Marijuana	1,725	2,173	6,223.89	19,413.62	5,460.9	4,413.5	50,660
Prescription Drugs Seized	96.58	96.21	8.0	53.66	106.2	12.3	54.04
Other Drugs Seized	72.29	70.78	409	227.63	15,220.6	125.2	764.3
Marijuana (# Plants = lbs.)	24,453	13,979	6,097	42,201	666.1	10,862.7	232,455
Totals in Pounds	26,419	16,607	12,900	62,601.49	22,149.6	16,876.6	285,964.11

Note: Totals may not add due to rounding.

MANAGEMENT ASSERTIONS

1. **Performance reporting systems are appropriate and applied -**

The DDE continues to experience challenges gathering accurate data from tribal field programs. Information gathered for this report and the subsequent verification process again highlighted the need for an automated data collection system. In FY 2015, BIA began utilizing the new DOI IMARS for all BIA direct service programs. This system allows BIA to collect and analyze crime statistics in an automated manner and is reducing our risk of human error by eliminating multiple entry of the same crime statistics.

2. **Explanations for not meeting performance targets are reasonable -**

The data reported for FY 2021 suggests that law enforcement within Indian Country is making progress transitioning back to pre-pandemic operations. In response to the pandemic, numerous tribes closed their reservation boundaries during FY 2020. Like nearly all federal agencies, this change affected how we conducted our daily business. We have seen staff quarantined for their health and the safety of others, in some cases multiple times for 14-day periods. Federal and Tribal courts were also impacted by the pandemic which resulted in modified schedules, delayed caseloads and stopped grand jury hearings. Most jurisdictions continue to limit the intake of prisoners for the safety of other inmates and staff.

3. **Methodology to establish performance targets is reasonable and applied -**

The targets were projected for FY 2021 based upon statistical data reviewed over the past four years in addition to the complexity of new drug trends identified within Indian Country.

4. **Adequate performance measures exist for all significant drug control activities-**

The agency has four (4) acceptable performance measures that adequately cover each of the decision units. Each measure considers the intended purpose of the ONDCP activity.

JASON
O'NEAL

Digitally signed by JASON
O'NEAL
Date: 2022.02.14
14:40:24 -05'00'

Director, BIA Office of Justice Services

2/14/2022

Date



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
Grand Junction, Colorado 81506
<https://www.blm.gov>



February 8, 2022

In Reply Refer To:
9260 (WO120) I

Memorandum

To: Director,
Office of National Drug Control Policy

From: Shannon J. Tokos
Director (A), Office of Law Enforcement and Security

SHANNON TOKOS Digitally signed by SHANNON
TOKOS
Date: 2022.02.08 16:55:37 -07'00'

Subject: Fiscal Year 2021 Accounting and Performance Summary Report

In accordance with ONDCP Circular: *National Drug Control Program Agency Compliance Reviews, September 9, 2021* (the Circular), the United States Department of the Interior, Bureau of Land Management (BLM) is hereby submitting the attached Accounting and Performance Summary Report of fiscal year 2020 drug control activities. Per the Circular, this report is being submitted in lieu of the "Detailed Accounting Report" otherwise required for agencies with drug control obligations of \$50 million or greater.

The BLM, Director of the Office of Law Enforcement and Security (OLES) attests that the Bureau's drug control obligations are under \$50 million, and full compliance with the Circular would constitute an unreasonable reporting burden. If you have any questions, please contact Jason Hone, Deputy Director OLES, at 801-539-4172.

Attachment

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Office of Law Enforcement and Security

- Accounting and Performance Summary Report Fiscal Year 2021 -

Mission

The overall mission of the BLM is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations. In support of that mission, the primary goals of the Resource Protection and Law Enforcement program include the identification, investigation, disruption, and dismantling of marijuana cultivation and smuggling activities on public lands; the seizure and eradication of marijuana plants; and the clean-up and restoration of public lands affected by marijuana cultivation and smuggling.

Detailed Accounting Report

Drug Control Funding Obligations

The Bureau's appropriation for the Resource Protection and Law Enforcement subactivity includes \$5.1 million for drug enforcement.

Table of Drug Control Funding Obligations – Fiscal Year 2021	
Drug Control Functions:	
Interdiction	408
Investigations	4,080
State and Local Assistance	612
Total All Functions	5,100
Budget Decision Unit:	
Resource Protection and Law Enforcement	5,100
Total All Decision Units	5,100

Drug Methodology

The BLM primarily focuses these funds for the identification, investigation, and eradication of marijuana cultivation on public lands, and the rehabilitation of cultivation sites.

Resource Protection and Law Enforcement Program strategies in support of the National Drug Control Strategy include:

- 1) directing significant funding to address large scale marijuana cultivation activities by drug trafficking organizations on BLM-managed public lands in California;

- 2) directing funding to public lands in Idaho, Oregon, Nevada, Utah and other States as needed to combat the expansion of marijuana cultivation activities into those areas; and
- 3) directing funding to public lands in Arizona, New Mexico, and California to address resource impacts and public safety concerns stemming from marijuana smuggling activities occurring along the Southwest Border.

Associated activities include:

- Conducting proactive uniformed patrol to deter and detect cultivation activities.
- Focusing on investigations likely to result in the arrest of drug trafficking organization leadership.
- Utilizing Federal, state, and local partners to conduct multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations.
- Collecting and disseminating intelligence among cooperating agencies to maximize interdiction, eradication and investigative efforts.
- Establishing interagency agreements, partnerships, and service contracts with State and local law enforcement agencies to support counter-drug efforts on public lands.
- Partnering with non-law enforcement personnel/entities to rehabilitate cultivation and drug smuggling-related environmental damage in an effort to deter re-use of those areas.

Methodology Modifications – N/A

Material Weaknesses or Other Findings – N/A

Reprogrammings or Transfers – N/A

Other Disclosures – N/A

Management Assertions

7.b Assertions

- (1) Obligations by Budget Decision Unit - Yes
- (2) Drug Methodology:
 - a) Data - Yes
 - b) Financial Systems - Yes
- (3) Application of Drug Methodology - Yes
- (4) Material Weaknesses or Other Findings – N/A
- (5) Methodology Modifications – N/A
- (6) Reprogrammings or Transfers – N/A
- (7) Fund Control Notices - Yes

Performance Summary

In FY 2021, the BLM maintained its drug enforcement efforts at the same level as FY 2020. These efforts included:

- 1) directing significant funding to address large scale marijuana cultivation activities by drug trafficking organizations on BLM-managed public lands in California;

- 2) directing funding to public lands in Idaho, Nevada, Utah and other States as needed to combat the expansion of marijuana cultivation activities into those areas; and
- 3) directing funding to public lands in Arizona, California, and New Mexico to address resource impacts and public safety concerns stemming from marijuana smuggling activities occurring along the Southwest Border.

Associated activities include:

- Conducting proactive uniformed patrol to deter and detect cultivation and smuggling activities.
- Focusing on investigations likely to result in the arrest of drug trafficking organization leadership.
- Utilizing federal, state, and local partners to conduct multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations.
- Collecting and disseminating intelligence among cooperating agencies to maximize interdiction, eradication, and investigative efforts.
- Establishing interagency agreements, partnerships, and service contracts with State and local law enforcement agencies to support counter-drug efforts on public lands.
- Partnering with non-law enforcement personnel/entities to rehabilitate cultivation and drug smuggling-related environmental damage in an effort to deter re-use of those areas.

The narrative below details FY 2021 performance data linked to marijuana seizures on public lands. This data was gathered and verified by the BLM, Office of Law Enforcement and Security (OLES) utilizing the Bureau’s law enforcement incident databases (e.g., IMARS) and associated law enforcement counterdrug activity reporting mechanisms (e.g., Significant Incident Reports).

Performance Data - Quality Assurance

Beginning in 1998, the BLM began utilizing an electronic incident reporting system (i.e., LAWNET) to document all public lands law enforcement incidents/activities; to include drug-related enforcement actions. In late 2011, the BLM migrated to the newly created Incident Management Analysis and Reporting System (IMARS) developed to provide a Department-wide information collection, analysis, and reporting system for incident information. In 2020, the BLM established the Investigative Case Management System (ICMS) for use by all BLM Special Agents for long-term cases. All these electronic reporting systems, in combination with incident reporting, review, and data validation requirements established through agency policy, afford the BLM the ability to reliably capture and accurately report performance data.

Performance Measure: *Quantity of Marijuana Seized*

Number of Marijuana Plants Seized on Public Lands¹						
FY 2016 Achieved	FY 2017 Achieved	FY 2018 Achieved	FY 2019 Achieved	FY 2020 Achieved	FY 2021 Target	FY 2021 Achieved
149,101	155,502	254,010	590,558	607,640	619,792	767,685

¹Data gathered through the IMARS incident reporting systems.

Due to the scope of the marijuana cultivation problem on public lands and the large number of Federal, state, and local agencies involved in combatting the issue, it is difficult to establish a direct cause for the fluctuations seen in marijuana plant seizure statistics. However, several factors are thought to be affecting large scale marijuana cultivation on public lands, to include:

- Increasingly effective utilization of multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations.
- Active participation of BLM law enforcement personnel in federal, state, and local task forces, including California and Oregon HIDTA task forces, DEA-led Organized Crime Drug Enforcement Task Forces, and a number of state and local task forces. The BLM is also an active participant on county-level interagency teams focused on marijuana investigations.
- Prosecution of individuals at all levels of multi-state drug trafficking organizations is disrupting organizational structures and reducing their cultivation and distribution capabilities.
- Shifting weather patterns are altering the length of the growing season and the availability of natural water sources.
- Several states permit the lawful cultivation of marijuana on private lands for medicinal use. Quantities of this lawfully cultivated marijuana are known to be sold outside the legal medicinal market. This unlawful sale of legally cultivated marijuana may be altering levels of market supply and demand, thereby prompting fluctuations in the quantity of marijuana being cultivated on public lands. Similarly, an increase in the number of states that permit recreational use of marijuana may be creating a larger market and higher profit margins for marijuana cultivated at relatively low cost on public lands.

In addition to its direct marijuana cultivation interdiction efforts, the BLM also continues to place significant emphasis on deterring marijuana smuggling activities occurring on public lands situated within 100 miles of the Southwest Border. These smuggling activities, in addition to increasing the volume of marijuana trafficked within the U.S., are producing significant natural resource impacts and public safety concerns on public lands. These impacts are particularly prevalent within the Bureau’s Ironwood Forest and Sonoran Desert National Monuments.

In FY 2021 a total of 5,713 pounds of processed marijuana were seized on public lands. While several factors are likely influencing the seizure levels, the Bureau’s ongoing investment along the Southwest border is believed to be a significant factor in this success.

Processed Marijuana (lbs) Seized on Public Lands²					
FY 2016 Achieved	FY 2017 Achieved	FY 2018 Achieved	FY 2019 Achieved	FY 2020 Achieved	FY 2021 Achieved
16,724	6,187	26,765	16,702	12,476	5,713

²Data gathered through the IMARS incident reporting systems.

Management Assertions

Performance Reporting System is Appropriate and Applied

Since 1998, the BLM has utilized electronic incident reporting systems (i.e., LAWNET, IMARS, ICMS) to document all law enforcement incidents and activities on public lands, to include drug-related enforcement actions (e.g., marijuana cultivation incidents, marijuana plant seizures, processed marijuana seizures, etc.) These electronic reporting systems, in combination with incident reporting, review, and data validation requirements established through agency policy, afford the BLM the ability to reliably capture and accurately report performance data.

Methodology to Establish Performance Targets is Reasonable and Applied

Due to the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the United States, in FY 2016 the ONDCP permitted the BLM to gauge performance using a single measure, specifically “number of marijuana plants seized.” Given the significant year-to-year fluctuation seen in public lands marijuana seizures over the past several years, and the number of variables believed to affect large scale public lands cultivation operations, the BLM set its FY 2021 target at 2% over on the preceding fiscal year’s seizure level.

Adequate Performance Measures Exist for All Significant Drug Control Activities

The BLM has traditionally utilized a single measure (i.e., marijuana seizures) to capture performance considered to be reflective of its respective National Drug Control Program activities. In light of the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the United States, the ONDCP permits the BLM to gauge performance using a single measure, specifically “number of marijuana plants seized.”

In accordance with ONDCP Circular: “National Drug Control Program Agency Compliance Reviews, September 9, 2021”, the BLM is hereby submitting this alternative report of drug control funding and performance for FY 2021. Per the Circular, this report is being submitted in lieu of the standard “Detailed Accounting Report” otherwise required for agencies with drug control obligations of \$50 million or greater. The BLM, Director of the Office of Law Enforcement and Security attests that the Bureau’s drug control obligations are under \$50 million, and full compliance with the Circular would constitute an unreasonable reporting burden.

Shannon J. Tokos
Director (A), Office of Law Enforcement and Security

DEPARTMENT OF THE INTERIOR
 Bureau of Land Management
 FY 2023 Budget and Performance Summer Submission

Resource Summary

	Budget Authority (in Millions)	
	FY 2021 Enacted	FY 2022 Request
Drug Resources by Budget Decision Unit and Function		
Resource Protection and Law Enforcement		
Interdiction	\$0.408	\$0.408
Investigations	4.080	4.080
State and Local Assistance	0.612	0.612
Total, Decision Unit	\$5.100	\$5.100
Total Funding	\$5.100	\$5.100
Drug Resources Personnel Summary		
Total FTEs (direct only)	20	20
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$1.3	\$1.6
Drug Resources Percentage	0.4%	0.3%

Program Summary

MISSION

The overall mission of the Bureau of Land Management (BLM) is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations. In support of that mission, one of the primary goals of the Resource Protection and Law Enforcement program is the identification, investigation, disruption, and dismantling of marijuana cultivation and smuggling activities on public lands; the seizure and eradication of marijuana plants; and the clean-up and restoration of public lands affected by marijuana cultivation and smuggling.

METHODOLOGY

The Bureau’s appropriation for the Resource Protection and Law Enforcement subactivity includes \$5.1 million for drug enforcement. The BLM primarily uses these funds for the identification, investigation, and eradication of marijuana cultivation on public lands and

rehabilitation of the cultivation sites. Under its Government Performance and Results Act (GPRA) Performance Plan, the Bureau utilizes specifically defined Program Element designations to calculate and track expenditures associated with its patrol, investigative, and drug enforcement activities.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PERFORMANCE

Introduction

Due to the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the United States, the BLM has traditionally gauged performance

using a single measure, specifically “number of marijuana plants seized.” Given the significant year-to-year fluctuation seen in public lands marijuana seizures over the past six years, and the number of variables believed to affect large scale public lands cultivation operations, the BLM currently bases its out-year plant seizure target on the preceding fiscal year’s seizure level. Beginning in FY 2015, the Bureau has adjusted its out-year target to achieve a two percent improvement over the prior fiscal year’s seizure level.

Information regarding the performance of the Bureau’s drug control mission is based on law enforcement statistics extracted from the Department’s Incident Management Analysis and Reporting System (IMARS) database, and other agency information. The below table and associated text present activities and achievements during FY 2020.

Bureau of Land Management					
Selected Measure of Performance	FY 2020 Achieved	FY 2021 Target	FY 2021 Achieved	FY2022 Target	
» Number of marijuana plants seized	604,640	619,792 ¹	TBD	TBD ²	

¹ Target based on FY 2020 seizure level.

² Target based on 2% increase over FY 2021 seizure level.

³ Target will be based on 2% increase over FY 2022 seizure level.

Discussion

In the early 2000's the Bureau saw an annual reduction in the total number of marijuana plants seized each year. That downward trend reversed in FY 2013 as the Bureau experienced a twenty-five percent increase in the number of marijuana plants seized on public lands. After three consecutive yearly increases in seizures, there was a decline in 2016. However, the Bureau has seen an increase in the last three years, to include, in 2019, the largest increase more than doubling of the number of plants seized in 2018.

Number of Marijuana Plants Seized on Public Lands						
FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
225,291	319,511	149,101	155,502	254,010	590,558	607,640

Due to the scope of the marijuana cultivation problem on public lands and the large number of Federal, State, and local agencies involved in combatting the issue, it is difficult to establish a direct cause for the fluctuations seen in marijuana plant seizure statistics. However, several factors are thought to be affecting large scale marijuana cultivation on public lands, to include:

- Increasingly effective utilization of multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations.
- Active participation of BLM law enforcement personnel in Federal, State, and local task forces, including California and Oregon HIDTA task forces, DEA-led Organized Crime Drug Enforcement Task Forces, and a number of State and local task forces. The BLM is

also an active participant on county-level interagency teams focused on marijuana investigations.

- Prosecution of individuals at all levels of multi-State drug trafficking organizations is disrupting organizational structures and reducing their cultivation and distribution capabilities.
- Shifting weather patterns are altering the length of the growing season and the availability of natural water sources.
- Several State medical marijuana laws provide for the lawful cultivation of marijuana on private lands. Quantities of this lawfully cultivated marijuana are known to be diverted to sale for non-medical use. This unlawful sale of legally cultivated marijuana, combined with the public's ability to lawfully cultivate marijuana for personal recreation and medicinal purposes, may be altering levels of market supply and demand, thereby prompting fluctuations in the quantity of marijuana being cultivated on public lands.

ONDCP 2021 Accounting Report – National Park Service

FY 2021 DETAILED ACCOUNTING REPORT

Prior Year Drug Control Obligations and Staffing		Amount
*See detailed report below		
	FTE	28.48
	TOTAL OBLIGATIONS	\$3,392,000

**Full compliance with this circular constitutes an unreasonable reporting burden. Obligations reported under this section constitute the statutorily required detailed accounting. The amounts in the table below reflect actual NPS expenditures.

Hunter Bailey
Signature

Chief, Investigative Services Branch
Title

02/23/2022
Date

Drug Control Funding Obligations

(1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

NPS Summary	North Cascades NP	Point Reyes NS	Sequoia & Kings Canyon NP	Whiskeytown NRA	Santa Monica Mountains NRA	Redwood NP	Yosemite NP	Washington Support Office	Total
Investigations	200	450	614	463	300	345	600	420	3,392
Total Expenditures	200	450	614	463	300	345	600	420	3,392
Total FTE	2	4	6	3.5	2.5	2.8	4.48	3.2	28.48

(2) Drug Methodology

NPS does not have a specific appropriation for drug control. The NPS cost management system verifies the location and actual use of funding that is directed to this function. The NPS utilizes these data, combined with annual financial/spending plans, to estimate the level of drug control funding.

(3) Methodology Modifications

NA

(4) Material Weaknesses or Other Findings

NA

(5) Reprogrammings or Transfers

NA

(6) Other Disclosures

NA

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget Coordinator

From: National Park Service
Law Enforcement, Security and Emergency Services *Hunter Bailey*
Chief, Investigative Services Branch

Subject: Office of National Drug Control Policy (ONDCP) 2021 Accounting and Performance Summary Report – Compliance Report

In accordance with ONDCP Circular National Drug Control Program Agency Compliance Reviews, September 9, 2021 (the Circular), the U.S. Department of the Interior, National Park Service hereby submits the attached Accounting and Performance Summary Report on NPS drug control activities for fiscal year 2021, the last completed fiscal year.

This submission follows the requirements for alternative reports allowed under the Unreasonable Burden Exception in Section 10 of the Circular. The Chief, Investigative Services Branch, attests that the Bureau's drug control obligations are under \$50 million, and full compliance with the Circular would constitute an unreasonable reporting burden. Pursuant to the Unreasonable Burden Exception, the alternative report meets the statutory requirement to provide an annual accounting of funding obligations and performance associated with BIA drug control activities.

If you have questions, please contact Hunter Bailey, Chief, Investigative Services Branch - Law Enforcement, Security and Emergency Services at (202) 805-3005.

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget Coordinator

From: Chief, Investigative Services Branch -Law Enforcement, Security and Emergency Services

Subject: ONDCP Summer Drug Budget and Performance Submission

In accordance with ONDCP Circular: Budget Formulation, October 22, 2019, the U.S. Department of the Interior, National Park Service hereby submits the attached Summer Budget Request to the Department of the Interior.

As ONDCP recommended to Secretary Haaland in its transmittal letters accompanying 2023 ONDCP Formulation Guidance, the National Park Service 2023 budget proposal sustains its current level of effort to protect our country's national parks from illegal drug production and trafficking.

If you have questions, please contact Hunter Bailey, Chief, Investigative Services Branch - Law Enforcement, Security and Emergency Services at (202) 354-1961.

**ONDCP 2023 Summer Drug Budget and
Performance Submission
National Park Service**

Resource Summary

	Budget Authority (in Millions)	
	FY 2021 Enacted	FY 2022 Request
Drug Resources by Function		
Investigations	\$3.450	\$3.450
Total Drug Resources by Function	\$3.450	\$3.450
Drug Resources by Decision Unit		
National Park Protection Subactivity	\$3.450	\$3.450
Total Drug Resources by Decision Unit	\$3.450	\$3.450
Drug Resources Personnel Summary		
Total FTEs (direct only)	27	27
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$3.12	\$3.50
Drug Resources Percentage	0.11%	0.10%

Support for Drug Control Funding Priorities

PRIORITY # 5: REDUCING THE SUPPLY OF ILLICIT SUBSTANCES

NPS Strategies:

- A. Ensure adequate funding to support a comprehensive, collaborative, and well-coordinated response to illicit drug production, trafficking and use by key Western Hemisphere partners, AND**
- B. Continue supporting law enforcement efforts through the High Intensity Drug Trafficking Areas (HIDTA) program to disrupt and dismantle domestic drug trafficking networks and support initiatives to advance coordinated responses.**

As a result of the significant success in marijuana eradication on NPS lands over the past decade, Law Enforcement Rangers have shifted efforts towards more pro-active strategies with the goal of reducing available supply chains to market. The strategies outlined below continue to apply the pressure necessary to prevent the resurgence of activity and the reconstitution of historic sites, many of which have already received costly restorative treatments to return them to their natural state. The importance of maintaining

the significant progress we have already achieved cannot be overstated, and the sustainable funding by ONDCP is critical to our continued success as a partner in the National Drug Control Program.

Prevention and Deterrence: with the goal of eliminating and preventing clandestine marijuana activities and operations, staff are implementing the following techniques activities: a) learning to integrate GIS and similar tools to identify areas that are likely suitable to support the needs of clandestine operations. This includes data sets such as climate and temperature, surrounding vegetation types and availability of canopy, terrain and soil types, and availability of water sources. A concurrence of these desirable attributes supports a predictive analysis of where future grow sites may be suitable and/or attempted. b) leveraging recent wildland fire damage to identify previously undetected sites as well as learn and understand some of the historical patterns and infrastructure needs of the growers, and c) deploying resources as part of high visibility patrols to make it as difficult as possible to operate undetected.

Monitoring and Detection: with the goal of identifying clandestine activity and adjusting patrols and presence as an effective deterrent, staff are implementing the following techniques and activities: a) deployment of trail cameras and surveillance equipment on remote road and trail systems to monitor activity, b) performing water testing to look for dangerous chemical compounds that are consistent with fertilizer frequently used in grow operations. Based upon geography, staff can then work upstream of a positive test to identify the source of the contamination. c) frequent and high visibility patrols to monitor trends, suspicious persons, activity or vehicles, and overall reinforce the “ubiquitous ranger” concept.

Early Eradication: with the goal catching clandestine grow operations during their incipient stages and before sites have become well established, staff are implementing the following techniques and activities: a) eradicating sites early in the grow season while plants remain relatively small, sometimes when still in a “seedling” state. This not only prevents the possibility of mature plants, but also results in other positive benefits such as reducing damage to fragile soil and terrain types, less water consumption (waste) which threatens native vegetation and species, fewer resources required and less risk involved for plant removal, and improved time and cost of site restoration efforts. Rangers are not always able to intercept sites before they become well established, but through aggressive and pro-active techniques we have achieved a significant reduction in the overall number of mature plants indicating forward progress.

Interdicting the Flow of Drugs Across Physical Borders:

In Washington state, Law Enforcement Rangers continue to work effectively with a variety of state, local and federal partners including: Customs and Border Protection (Border Patrol, Office of Field Operations, Air and Marine Division), Homeland Security Investigations, Federal Bureau of Investigation, Drug Enforcement Agency, US Forest Service, Washington State Fish and Wildlife, Washington State Patrol, and local Sheriff’s departments to combat smuggling activities that occur along the International Border with Canada. The remote wilderness terrain of the North Cascades Complex makes this an ideal location for clandestine activities given the natural cover and concealment that is available. The efforts of all law enforcement agencies are amplified through joint information and intelligence sharing which guides and directs joint operations as well as organic missions on the ground. Rangers perform patrols by vehicle, vessel, air and on foot to combat both smuggling of methamphetamine moving south and cocaine moving north. In addition to smuggling, the area experiences illegal border crossings into the United States as well as some clandestine cultivation sites. Additional techniques and activities include maintaining remote camera and surveillance systems that monitor a network of high use smuggling areas and routes along the physical border.

In California, the NPS continues to maintain positive working relationships and cost-shared employees that support the Central Valley HIDTA region which includes numerous NPS units: Yosemite NP, Sequoia – Kings Canyon NP, Whiskeytown NRA, and Lassen Volcanic NP. These positive working

relationships support the enabling intent behind HIDTA which is the fusion of information and resources between federal agencies, and state/local law enforcement agencies.

PRIORITY # 2: ADVANCING RACIAL EQUITY ISSUES IN OUR APPROACH TO DRUG POLICY

NPS Strategies:

- A. National Drug Control Program agencies need to begin collecting and reporting budget data that is thoroughly disaggregated by demographic category. Where this information is not currently available, ensure that agencies will be able to report this funding by FY 2024, AND
- B. Enhance the ability of existing and future drug data collection efforts to disaggregate information for underserved sub-populations, such as communities of color and other minorities, pursuant to Executive Order 13985.

Data and Records Management: The National Park Service is mandated by policy to utilize the Department’s official Records Management System (RMS) [currently IMARS] to input, track, and store all data related to law enforcement contacts and incidents. The NPS relies on the Department’s Office of Law Enforcement and Security (OLES) and its Technology Division to guide and manage the RMS so that it meets the needs of requirements like those established in EO 13985. As we are end users of the IMARS software platform, we will actively support and participate in any working groups and initiatives that work towards modifying data inputs and outputs to capture how drug control budget data can be reported by demographic category (race, ethnicity, religion, sexual orientation, disabilities, rural areas, and persons otherwise adversely affected by persistent poverty or inequality).

Performance Reporting

(1) Performance Measures

Due to the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the U.S., the NPS has traditionally utilized a single measure - “Number of marijuana plants seized in the Pacific West region” to capture performance considered to be reflective of its respective National Drug Control Program activities.

(2) Prior Year Performance Targets and Results

National Park Service Visitor and Resource Protection Program		
Selected Measure of Performance	FY 2020 Target	FY 2020 Achieved
» Number of marijuana plants seized in the Pacific West region	3,942	28,028

(3) Current Year Performance Targets

The NPS uses a three-year seizure average to determine its target due to the year-to-year fluctuation seen in public lands marijuana seizures and the number of variables believed to affect large scale public lands cultivation operations.

National Park Service Visitor and Resource Protection Program

Selected Measure of Performance	FY 2021 Target	FY 2021 Achieved
» Number of marijuana plants seized in the Pacific West region	1,000	TBD

(4) Quality of Performance Data

The NPS utilizes an enterprise-wide system of records known as the Incident Management, Analysis and Reporting System (IMARS), which provides a unified system for Department of the Interior law enforcement agencies to manage law enforcement investigations, measure performance and meet reporting requirements. In concert with incident reporting, review, and data validation requirements established through agency policy, IMARS provides the NPS with the ability to reliably capture and accurately report performance data.

(5) FY 2023 Performance

There is no change from FY 2022.

Tab J



Review of the U.S. Department of Justice's Accounting of Drug Control Funding for Fiscal Year 2021



22-033

JANUARY 2022

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained pre-decisional federal budget information.



EXECUTIVE SUMMARY

Review of the U.S. Department of Justice's Accounting of Drug Control Funding for Fiscal Year 2021

Objectives

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the Department of Justice (Department) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, the Office of the Inspector General (OIG) is required to express a conclusion about the reliability of the Department's assertions related to its submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to management's assertions in order for them to be fairly stated for the fiscal year ended September 30, 2021.

Recommendations

No recommendations were provided in this report.

Review Results

The OIG performed an attestation review of the Department's assertions related to the Budget Formulation Compliance Submission and Detailed Accounting Submission for the fiscal year ended September 30, 2021. The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The purpose of the review was to express a conclusion on management's assertions. Specifically, we:

- Performed inquiries of management to understand its processes used to prepare the reports.
- Evaluated the reasonableness of management's reports.
- Reviewed management's reports for incorrect or incomplete information from the requirements of the ONDCP circular.
- Performed sufficient verifications of reported information to support our conclusion on the reliability of management's assertions.

This report includes the Budget Formulation Compliance Reports and Detailed Accounting Reports of the Department's Assets Forfeiture Fund, Criminal Division, Drug Enforcement Administration, Federal Bureau of Prisons, Office of Justice Programs, Offices of the United States Attorneys, Organized Crime Drug Enforcement Task Forces Program, and United States Marshals Service. Additionally, this report includes the Budget Formulation Compliance Reports for the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) and the Federal Bureau of Investigation (FBI). The Department received a waiver from ONDCP to exclude the ATF and FBI's Detailed Accounting Report from our review for fiscal year 2021 because it was the ATF and FBI's inaugural reporting year. The Department components reviewed and reported approximately \$9.03 billion of drug control obligations for fiscal year 2021.

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

United States Attorney General
U.S. Department of Justice

We have reviewed the U.S. Department of Justice's (Department) assertions related to the Budget Formulation Compliance Submission and the Detailed Accounting Submissions, as required by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, and as otherwise agreed to with the ONDCP for the fiscal year ended September 30, 2021. The Department is responsible for its assertions. Our responsibility is to express a conclusion on the Department's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions in order for them to be fairly stated. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to management's assertions in order for them to be fairly stated.

This report is intended solely for the information and use of Department management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than the specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden".

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.

January 18, 2022

U.S. DEPARTMENT OF JUSTICE

BUDGET FORMULATION COMPLIANCE REPORTS





U.S. Department of Justice

Justice Management Division

Washington, D.C. 20530

On the basis of the U.S. Department of Justice's (Department) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the Department's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department by its components in accordance with 21 U.S.C § 1703(c)(1)(A), except the Department received a revised version of ODCETF's summer drug budget on July 7, 2021 and submitted it to ONDCP on December 7, 2021.
2. The funding request submitted to ONDCP in the Summer Drug Budget Resource Summary Tables represent the funding levels requested by the Department's components without alteration or adjustment by any official at the Department.

Lee Lofthus Date: 2022.01.18
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January 18, 2022

Lee J. Lofthus
Assistant Attorney General for
Administration Chief Financial Officer

Date

Department of Justice - Asset Forfeiture Program

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
<i>Asset Forfeiture</i>			
<i>Investigations</i>	\$153.076	\$157.784	
<i>State and local Assistance</i>	\$89.543	\$89.275	
Total, Asset Forfeiture	\$242.619	\$247.059	
Total Drug Funding	242.619	247.059	
Drug Resources Personnel Summary			
Total FTEs (direct only)	-	-	-
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	2.290	1.073	
Drug Resources Percentage	10.6%	23.0%	

Department of Justice - BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
Drug Resources by Function			
<i>Investigations</i>	39.188	41.216	
Total Drug Resources by Function	39.188	41.216	
Drug Resources by Decision Unit			
<i>Law Enforcement Operations</i>	39.188	41.216	
Total, Decision Unit	39.188	41.216	
Total Drug Funding	39.188	41.216	
Drug Resources Personnel Summary			
Total FTEs (direct only)	177	180	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	1.4	1.5	
Drug Resources Percentage	2.8%	2.8%	

Department of Justice - CRIMINAL DIVISION
Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Function			
<i>Prosecution</i>	\$45.081	\$48.042	
Total Drug Resources by Funding	45.081	48.042	
Drug Resources by Decision Unit			
<i>Enforcing Federal Criminal Laws</i>	\$45.081	\$48.042	
Total Drug Resources by Funding	45.081	48.042	
Drug Resources Personnel Summary			
Total FTEs (direct only)	172	176	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$0.2	\$0.2	
Drug Resources Percentage	22.9%	22.3%	

Department of Justice - Drug Enforcement Administration
Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Budget Decision Unit and Function:			
Decision Unit #1 Domestic Enforcement			
Investigations	\$1,712.759	\$1,773.912	
Intelligence: Domestic Law Enforcement	\$143.180	\$148.292	
Prevention	\$3.532	\$2.657	
Total, Decision Unit #1	\$ 1,859.471	\$ 1,924.861	
Decision Unit #2 International Enforcement			
International	\$438.358	\$443.784	
Intelligence: International	\$26.005	\$26.327	
Total, Decision Unit #2	\$ 464.363	\$ 470.111	
Decision Unit #3 State and Local Assistance			
State and Local Assistance	\$12.430	\$12.550	
Total, Decision Unit #3	\$ 12.430	\$ 12.550	
Decision Unit #4 Diversion Control Fee Account			
Investigations	\$409.797	484.388	
Intelligence: Domestic Law Enforcement	\$18.267	21.592	
Prevention	\$4.805	5.680	
Total, Decision Unit #4	\$ 432.869	511.659	
Total Funding	\$ 2,769.132	\$ 2,919.18	
Drug Resources Personnel Summary			
Total FTEs (direct only)	8,273	8,435	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	2.8	2.9	
Drug Resources Percentage	100.0%	100.0%	

Department of Justice - FEDERAL BUREAU OF INVESTIGATION

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
Drug Resources by Function			
<i>Intelligence</i>			
<i>Investigations</i>	147.718	152.891	
Total Drug Resources by Funding	147.718	152.891	
Drug Resources by Decision Unit			
<i>Intelligence</i>	7.070	7.100	
<i>Criminal Enterprises/Federal Crimes</i>	140.648	145.791	
Total Drug Funding	147.718	152.891	
Drug Resources Personnel Summary			
Total FTEs (direct only)	865	865	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	9.7	10.2	
Drug Resources Percentage	1.5%	1.5%	

Department of Justice - Federal Prison System (BOP)

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
<i>Decision Unit Inmate Care and Programs</i>			
<i>Corrections</i>	\$1,400.097	\$1,253.227	
<i>Treatment</i>	\$194.687	\$202.392	
Total, Decision Unit	\$1,594.784	\$1,455.619	
<i>Decision Unit Institution Security & Administration</i>			
<i>Corrections</i>	\$1,613.541	\$1,597.332	
Total, Decision Unit	\$1,613.541	\$1,597.332	
<i>Decision Unit Contract Confinement</i>			
<i>Corrections</i>	\$428.304	\$429.012	
<i>Treatment</i>	\$36.290	\$35.124	
Total, Decision Unit	\$464.594	\$464.136	
<i>Decision Unit Management and Administration</i>			
<i>Corrections</i>	\$151.216	\$154.418	
Total, Decision Unit	\$151.216	\$154.418	
<i>Decision Unit New Construction</i>			
<i>Corrections</i>	\$0.924	\$0.924	
Total, Decision Unit	\$0.924	\$0.924	
<i>Decision Unit M&R</i>			
<i>Corrections</i>	\$57.750	\$81.771	
Total, Decision Unit	\$57.750	\$81.771	
Total Drug Funding	3,882.809	3,754.200	
Drug Resources Personnel Summary			
Total FTEs (direct only)	16,690	16,761	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	8.1	7.8	
Drug Resources Percentage	47.5%	47.6%	

Department of Justice - Office of Justice Programs
(Dollars in Millions)

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
<i>Regional Information Sharing System Program ^{1/}</i>			
<i>State and Local Assistance</i>	\$14.000	\$14.000	■
Total, Regional Information Sharing System Program	\$14.000	\$14.000	■
<i>Drug Court Program</i>			
<i>Treatment</i>	\$83.000	\$95.000	■
Total, Drug Courts Program	\$83.000	\$95.000	■
<i>Justice and Mental Health Collaboration Program ^{2/}</i>			
<i>Treatment</i>	\$5.250	\$6.000	■
Total, Justice and Mental Health Collaboration	\$5.250	\$6.000	■
<i>Residential Substance Abuse Treatment Program</i>			
<i>Treatment</i>	\$34.000	\$35.000	■
Total, Residential Substance Abuse Treatment Program	\$34.000	\$35.000	■
<i>Harold Rogers' Prescription Drug Monitoring Program</i>			
<i>State and Local Assistance</i>	\$32.000	\$33.000	■
Total, Harold Rogers' Prescription Drug Monitoring Program	\$32.000	\$33.000	■
<i>Second Chance Act Program ^{3/}</i>			
<i>Treatment</i>	\$35.350	\$38.136	■
Total, Second Chance Act Program	\$35.350	\$38.136	■
<i>Project Hope Opportunity Probation with Enforcement (HOPE)</i>			
<i>State and Local Assistance</i>	\$4.500	\$5.000	■
Total, Project Hope	\$4.500	\$5.000	■
<i>Byrne Criminal Justice Innovation Program (Innovations in Community-Based Crime Reduction) ^{4/}</i>			
<i>State and Local Assistance</i>	\$6.600	\$7.500	■
Total, Byrne Criminal Justice Innovation Program	\$6.600	\$7.500	■
<i>Edward Byrne Memorial Justice Assistance Grant Program ^{5/}</i>			
<i>State and Local Assistance</i>	\$48.400	\$51.350	■
Total, Edward Byrne Memorial Justice Assistance Grant Program	\$48.400	\$51.350	■
<i>Veterans Treatment Courts Program</i>			
<i>Treatment</i>	\$25.000	\$25.000	■
Total, Veterans Treatment Courts Program	\$25.000	\$25.000	■
<i>Comprehensive Opioid, Stimulant, and Substance Abuse Program (COSSAPP)</i>			
<i>Treatment</i>	\$185.000	\$190.000	■
Total, Comprehensive Opioid, Stimulant, and Substance Abuse Program	\$185.000	\$190.000	■

<i>CTAS Purpose Area 3: Justice Systems and Alcohol and Substance Abuse</i> ^{6/}			
<i>Treatment</i>	\$17,492	\$23,368	
Total, Tribal Set Aside - CTAS Purpose Area 3	\$17,492	\$23,368	
<i>CTAS Purpose Area 9: Tribal Youth Program</i> ^{6/}			
<i>Prevention</i>	\$3,000	\$9,000	
Total, Tribal Set Aside - CTAS Purpose Area 9	\$3,000	\$9,000	
<i>COPS Anti-Heroin Task Forces State and Local Assistance</i>	\$35,000	\$35,000	
Total, COPS Anti-Heroin Task Forces	\$35,000	\$35,000	
<i>COPS Anti-Methamphetamine Task Forces State and Local Assistance</i>	\$15,000	\$15,000	
Total, COPS Anti-Methamphetamine Task Forces	\$15,000	\$15,000	
<i>Forensic Support for Opioid and Synthetic Drug Investigations</i> ^{7/}			
<i>State and Local Assistance</i>	\$17,000	\$17,000	
Total, Forensic Support for Opioid and Synthetic Drug Investigations	\$17,000	\$17,000	
<i>Opioid-Affected Youth Initiative</i> ^{7/}			
<i>Prevention</i>	\$10,000	\$16,000	
Total, Opioid-Affected Youth Initiative	\$10,000	\$16,000	
<i>Mentoring for Youth Affected by the Opioid Crisis</i> ^{7/}			
<i>Prevention</i>	\$16,500	\$16,500	
Total, Mentoring for Youth Affected by the Opioid Crisis	\$16,500	\$16,500	
<i>Mental Health and Substance Use Treatment Support for Youth at High Risk or Involved in the Juvenile Justice System</i> ^{8/}			
<i>Treatment</i>	\$0,000	\$0,000	
Total, Mental Health and Substance Use Treatment Support for Youth	\$0,000	\$0,000	
Total Drug Funding	587,092	631,854	
Drug Resources Personnel Summary			
<i>Total FTEs (direct only)</i>	42	45	
Drug Resources as a Percent of Budget			
<i>Total Agency Budget (in billions)</i>	2.753	3.617	
<i>Drug Resources Percentage</i>	21.3%	17.5%	

OJP Footnotes:

^{1/} Amounts reported for the Regional Information Sharing System reflect 35 percent of total funding for this program as drug-related.

^{2/} Amounts shown for the Justice and Mental Health Collaboration Program reflect 15 percent of total funding for this program as drug-related.

^{3/} Funding for the Second Chance Act (SCA) Program is jointly managed by the Bureau of Justice Assistance (BJA) and the Office of Juvenile Justice and Delinquency Prevention (OJJDP). Funding for the Project HOPE program, which is typically funded as a carve-out of the SCA Program, is excluded from this total since it is shown on a separate line in the drug budget.

- Of the total SCA funding managed by BJA, 35 percent of this total is reported as drug-related in support of treatment activities.
- Of the total managed by OJJDP, 12 percent is reported as drug-related in support of treatment activities.

^{4/} Amounts shown for the Byrne Criminal Justice Innovation Program (Innovations in Community-Based Crime Reduction) reflect 30 percent of total funding for this program as drug-related.

^{5/} Amounts reported for the Byrne Justice Assistance Grant Program reflect 10 percent of total funding for this program as drug-related.

^{6/} Amounts shown for the Coordinated Tribal Assistance Solicitation (CTAS) Purpose Area 3 are based on estimates of how much funding from the Tribal Assistance appropriation will be used to support awards in this purpose area based on awards data from prior years. The amounts shown for CTAS Purpose Area 9: Tribal Youth Program are based on the funding amounts provided for the Tribal Youth Program (a carve-out of the Delinquency Prevention Program).

Of the total funding estimated for CTAS Purpose Area 3, 80 percent is reflected as drug-related in support of treatment activities. Of the total funding estimated for CTAS Purpose Area 9, 30 percent is reflected as drug-related in support of prevention activities.

^{7/} These three programs were created as new funding carve-outs included under existing OJP programs in the Consolidated Appropriations Act, 2018 (Public Law 115-141). The FY 2022 President's Budget and [REDACTED] included continued funding for these programs.

- The Forensic Support for Opioid and Synthetic Drug Investigations program is funded as a carve-out of Paul Coverdell Forensic Science Improvement Grants program. In FY 2021, approximately 52 percent of the \$30 million appropriated (or \$17 million) is scored as drug related. [REDACTED]

- The Opioid-Affected Youth Initiative is funded as a carve-out under the Delinquency Prevention Program. In FY 2021, \$10 million was appropriated for this program, which is scored as 100 percent drug related, to support prevention activities. [REDACTED]

- The Mentoring for Youth Affected by the Opioid Crisis program is funded as a carve-out of the Youth Mentoring program. In FY 2021, approximately 16 percent of the \$100 million appropriated for the Youth Mentoring Program (or \$16.5 million) is scored as drug related for this carve-out. [REDACTED]

^{8/} [REDACTED]

Department of Justice - UNITED STATES ATTORNEYS

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
<i>Criminal Decision Unit</i>			
<i>Prosecution</i>	98.905	98.905	
Total Drug Funding	98.905	98.905	
Drug Resources Personnel Summary			
Total FTEs (direct only)	546	546	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	2.3	2.5	
Drug Resources Percentage	4.2%	3.9%	

Department of Justice - Organized Crime Drug Enforcement Task Forces (ICDE)

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
<i>Investigations</i>			
<i>Investigations</i>	\$381.240	\$381.514	
Total, Investigations	\$381.240	\$381.514	
<i>Prosecutions</i>			
<i>Prosecutions</i>	\$169.218	\$168.944	
Total, Prosecutions	\$169.218	\$168.944	
Total Drug Funding	550.458	550.458	
Drug Resources Personnel Summary			
Total FTEs (direct only)	2,702	2,573	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	0.6	0.6	
Drug Resources Percentage	100.0%	100.0%	

Department of Justice - U.S. Marshals Service

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Spring Call
Drug Resources by Decision Unit and Function			
Salaries and Expenses			
<i>Fugitive Apprehension</i>			
<i>International</i>	\$1.461	\$1.603	
<i>Investigative</i>	\$144.628	\$158.699	
Total, Fugitive Apprehension	\$146.089	\$160.302	
<i>Judicial and Courthouse Security</i>			
<i>Prosecutions</i>	\$109.453	\$121.777	
Total, Judicial and Courthouse Security	\$109.453	\$121.777	
<i>Prisoner Security and Transportation</i>			
<i>Prosecutions</i>	\$56.286	\$58.851	
Total, Prisoner Security and Transportation	\$56.286	\$58.851	
Federal Prisoner Detention			
<i>Detention Services</i>			
<i>Corrections</i>	\$732.586	\$741.541	
Total, Detention Services	\$732.586	\$741.541	
Total Drug Funding	1,044.414	1,082.471	
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,000	1,025	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	3.6	3.8	
Drug Resources Percentage	28.9%	28.4%	

U.S. DEPARTMENT OF JUSTICE

DETAILED ACCOUNTING REPORTS





U.S. Department of Justice
Justice Management Division
Asset Forfeiture Management Staff
145 N St., N.E., Suite 5W.511
Washington, D.C. 20530

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the Assets Forfeiture Fund (AFF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the AFF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations reported by budget decision unit represents the actual obligations derived from the AFF's accounting system of record for this Budget Decision Unit.
2. The drug methodology used by the AFF to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogramming's or transfers during FY 2021.
7. AFF did not have any ONDCP Fund Control Notices issued in FY 2021.

PETER MAXEY Digitally signed by PETER
MAXEY
Date: 2022.01.18 18:12:48 -05'00'

Peter M. Maxey, Director
Asset Forfeiture Management Staff

Date

U.S. Department of Justice
Assets Forfeiture Fund
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)

	FY 2021 Actual Obligations
Drug Obligations by Budget Decision Unit and Function:	
Decision Unit: Asset Forfeiture	
Investigations	\$ 134.71
State and Local Assistance	71.63
Total Asset Forfeiture	<u>\$ 206.34</u>
Total Drug Control Obligations	<u>\$ 206.34</u>

**U.S. Department of Justice
Assets Forfeiture Fund
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The Assets Forfeiture Fund (AFF) was established to be a repository of the proceeds of forfeiture and to provide funding to cover the costs associated with forfeiture. These costs include, but are not limited to; seizing, evaluating, maintaining, protecting, and disposing of an asset. Public Law 102-393, referred to as the 1993 Treasury Appropriations Act, amended title 28 U.S.C. 524 (c) and enacted new authority for the AFF to pay for “overtime, travel, fuel, training, equipment, and other similar costs of state or local law enforcement officers that are incurred in a joint law enforcement operation with a Federal law enforcement agency participating in the Fund.” Such cooperative efforts have significant potential to benefit Federal, state, and local law enforcement efforts. The Department of Justice supports state and local assistance through the allocation of Asset Forfeiture Program (AFP) monies, commonly referred to as Joint Law Enforcement Program Operations Expenses. All AFP funded drug investigative monies for the Drug Enforcement Administration (DEA) and Organized Crime Drug Enforcement Task Forces (OCDETF) are allocated in the following program operations expenses: Investigative Costs Leading to Seizure, Awards Based on Forfeiture, Contracts to identify Assets, Special Contract Services, and Case Related Expenses. The funding provided for these particular program expenses are identified below and aid in the process of perfecting forfeiture.

Joint Law Enforcement Operations – These expenses are for the various costs incurred by state and local law enforcement officers participating in joint law enforcement operations with a federal agency participating in the fund.

Investigative Costs Leading to Seizure – These expenses are for certain investigative techniques that are used for drug related seizures.

Awards Based on Forfeiture – These expenses are for the payment of awards for information or assistance leading to a civil or criminal forfeiture.

Contracts to Identify Assets – These expenses are incurred in the effort of identifying assets by accessing commercial database services. Also included in this section is the procurement of contractor assistance needed to trace the proceeds of crime into assets subject to forfeiture.

Special Contract Services – These expenses are for contract services that support services directly related to the processing, data entry, and accounting for forfeiture cases.

Case Related Expenses – These are expenses incurred in connection with normal forfeiture proceedings. They include fees, advertising costs, court reporting and deposition fees, expert

witness fees, courtroom exhibit costs, travel, and subsistence costs related to a specific proceeding. If the case involves real property, the costs to retain attorneys or other specialists under state real property law are also covered. In addition, the Deputy Attorney General may approve expenses for retention of foreign counsel.

All AFF accounting information is derived from the Unified Financial Management System. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balance.

Disclosure 2: Methodology Modifications

There have been no changes to the drug methodology from the previous year. The drug methodology disclosed has been consistently applied from prior years.

Disclosure 3: Material Weaknesses or Other Findings

For the FY 2021 Financial Statements Audit, the AFF/Seized Asset Deposit Fund (SADF) received an unmodified audit opinion with one significant deficiency. The significant deficiency is related to the controls over timely recognition of forfeiture revenue. Specifically, “management did not have effective controls in place to ensure that agencies” participating in the AFP “were evaluating and reporting judicial information timely in the Consolidated Asset Tracking System (CATS).” Also, the significant deficiency cited that “there was no comprehensive process in place to identify, analyze, and document the impact of out-of-period revenue transactions on the current and prior year financial statements.”

To mitigate this finding:

- The Asset Forfeiture Financial Management Guide will be published in FY 2022 to clarify accounting requirements for participating agencies and require adherence to timely data input to CATS, including forfeiture decisions that directly impact the AFF or SADF;
- Asset Forfeiture Management Staff (AFMS) will also work with participating agencies to develop controls ensuring that seized and forfeited property transactions are recorded accurately and timely and will elevate instances of lack of response to the participating agency’s senior management to ensure that corrective action is taken prior to quarter-end reporting; and
- AFMS will review current internal controls review procedures, identifying high risk areas requiring more intensive review and update review procedures.

Disclosure 4: Reprogramming’s or Transfers

There were no reprogramming’s or transfers that affected drug-related budgetary resources.

Disclosure 5: Other Disclosures

None



U.S. Department of Justice

Criminal Division

Office of Administration

Washington, D.C. 20530

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the Criminal Division (CRM) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the CRM system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by CRM to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
4. There were no modifications to the methodology used to report drug control resources.
5. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2021.
6. CRM did not have any ONDCP Fund Control Notices issued in FY 2021.

JENNIFER MELTON

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MELTON
Date: 2022.01.18 15:26:13 -05'00'

1/18/2022

Tracy Melton, Executive Officer

Date

**U.S. Department of Justice
Criminal Division
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

	FY 2021 Actual Obligations
Drug Obligations by Budget Decision Unit and Function:	
Decision Unit: Enforcing Federal Criminal Laws	
Prosecution	\$44.99
Total Enforcing Federal Criminal Laws	<u>\$44.99</u>
Total Drug Control Obligations	<u>\$44.99</u>

**U.S. Department of Justice
Criminal Division
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The Criminal Division (CRM) develops, enforces, and supervises the application of all Federal criminal laws except those specifically assigned to other divisions. In executing its mission, the CRM dedicates specific resources in support of the National Drug Control Strategy that focus on disrupting domestic drug trafficking and production and strengthening international partnerships. CRM's drug budget is the funding available for the Division's drug-related activities. The CRM Sections and Offices contributing to this budget are:

- Appellate Section (APP)
- Computer Crimes and Intellectual Property Section (CCIPS)
- Capital Case Section (CCS)
- Fraud Section (FRD)
- International Criminal Investigative Training Assistance Program (ICITAP)
- Money Laundering and Asset Recovery Section (MLARS)
- Narcotic and Dangerous Drug Section (NDDS)
- Organized Crime and Gang Section (OCGS)
- Office of Enforcement Operations (OEO)
- Office of International Affairs (OIA)
- Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT)
- Office of Policy and Legislation (OPL)

Since CRM's accounting system, Department of Justice's (DOJ's) Unified Financial Management System (UFMS), does not track obligation and expenditure data by ONDCP's drug functions, CRM's drug resources figures are derived by estimating the level of involvement of each Division component in drug-related activities. Each component is required to estimate the percentage of work/time that is spent addressing drug-related issues. This percentage is then applied against each component's overall resources to develop an estimate of resources dedicated to drug-related activities. Component totals are then aggregated to determine the Division total. For FY 2021, the Division's drug resources as a percentage of its overall actual obligations were 22.9%.

Data – All accounting information for CRM is derived from DOJ's Unified Financial Management System (UFMS).

Financial Systems – UFMS is DOJ's financial system that provides CRM with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications were made to the methodology from the prior year.

Disclosure 3: Material Weaknesses or Other Findings

The Criminal Division (CRM) is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2021, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2021 *Independent Auditors' Report* revealed no material weaknesses or significant deficiencies in CRM internal controls. Additionally, the Department's assessment of risk and internal control in FY 2021 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected the CRM's drug-related budgetary resources.



**U. S. Department of Justice
Drug Enforcement Administration**

www.dea.gov

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the Drug Enforcement Administration (DEA) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the DEA system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations reported by budget decision unit represents the actual obligations derived from the DEA's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the DEA to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program.
7. DEA did not have any ONDCP Fund Control Notices issued in FY 2021.

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Brian G. Horn, Deputy Assistant Administrator
Financial Management Division

_____ Date

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

		FY 2021 Actual Obligations
Drug Obligations by Budget Decision Unit and Function:		
Diversion Control Fee Account		
Intelligence	\$	23.19
Investigations		519.22
Prevention		1.96
Total Diversion Control Fee Account	\$	544.36
Domestic Enforcement		
Intelligence	\$	163.50
Investigations		1,827.59
Prevention		3.55
Total Domestic Enforcement	\$	1,994.64
International Enforcement		
Intelligence	\$	25.54
International		470.77
Prevention		
Total International Enforcement	\$	496.32
State and Local Assistance		
State and Local Assistance	\$	9.12
Total State and Local Assistance	\$	9.12
Total Drug Control Obligations	\$	3,044.45
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$	17.67

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The mission of the Drug Enforcement Administration (DEA) is to enforce the controlled substances laws and regulations of the United States and to bring to the criminal and civil justice system of the United States or any other competent jurisdiction, those organizations, and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets. In carrying out its mission, the DEA is the lead agency responsible for the development of the overall Federal drug enforcement strategy, programs, planning, and evaluation. The DEA's primary responsibilities include:

- Investigation and preparation for prosecution of major violators of controlled substances laws operating at interstate and international levels;
- Management of a national drug intelligence system in cooperation with Federal, state, local, and foreign officials to collect, analyze, and disseminate strategic and operational drug intelligence information;
- Seizure and forfeiture of assets derived from, traceable to, or intended to be used for illicit drug trafficking;
- Enforcement of the provisions of the Controlled Substances Act and the Chemical Diversion and Trafficking Act as they pertain to the manufacture, distribution, and dispensing of legally produced controlled substances and chemicals;
- Coordination and cooperation with Federal, state and local law enforcement officials on mutual drug enforcement efforts and enhancement of such efforts through exploitation of potential interstate and international investigations beyond local or limited Federal jurisdictions and resources;
- Coordination and cooperation with other Federal, state, and local agencies, and with foreign governments, in programs designed to reduce the availability of illicit abuse-type drugs on the United States market through non-enforcement methods such as crop eradication, crop substitution, and training of foreign officials;
- Responsibility, under the policy guidance of the Secretary of State and U.S. Ambassadors, for all programs associated with drug law enforcement counterparts in foreign countries;

- Liaison with the United Nations, Interpol, and other organizations on matters relating to international drug control programs; and
- Supporting and augmenting U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations, as well as the use of illicit drugs as barter for munitions to support terrorism.

The accompanying Table of Drug Control Obligations was prepared in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, showing function and decision unit. The table represents obligations incurred by the DEA for drug control purposes and reflects one hundred percent of the DEA's mission.

Since the DEA's accounting system, the Unified Financial Management System (UFMS), does not track obligation and expenditure data by ONDCP's drug functions, the DEA uses Managerial Cost Accounting (MCA), a methodology approved by ONDCP to allocate obligations tracked in DEA's appropriated accounts and decision units to ONDCP's drug functions. The Salaries and Expense appropriated account is divided into three decision units, Domestic Enforcement, International Enforcement, and State and Local Assistance. The Diversion Control Fee Account (DCFA) is fee funded by Registrants and covers the full costs of DEA's Diversion Control Program's operations. Thus, the total DCFA cost is tracked and reported as a decision unit by itself to distinguish it from the appropriated S&E account. Although not appropriated funding, the DCFA as authorized by Congress is subject to all rules and limitations associated with Appropriations Law.

Data: *All accounting data for the DEA are maintained in UFMS. UFMS tracks obligation and expenditure data by a variety of attributes, including fund type, allowance center, decision unit and object class. One hundred percent of the DEA's efforts are related to drug enforcement.*

Financial Systems: *UFMS is the information system the DEA uses to track obligations and expenditures. Obligations derived from this system can also be reconciled against enacted appropriations and carryover balances.*

Managerial Cost Accounting: *The DEA uses allocation percentages generated by MCA to allocate resources associated with the DEA's four decision units to ONDCP's drug functions. The MCA model, using an activity-based costing methodology, provides the full cost of the DEA's mission outputs (performance costs). The table below shows the allocation percentages based on the DEA's MCA data.*

The DEA Budget Decision Unit	Allocation	ONDCP Function
Diversion Control Fee Account	4.26%	Intelligence
	95.38%	Investigations
	0.36%	Prevention
Domestic Enforcement	8.22%	Intelligence
	91.60%	Investigations
	0.18%	Prevention
International Enforcement	5.19%	International
	94.81%	Intelligence
	0.00%	Prevention
State and Local Assistance	100.00%	State and Local Assistance

Decision Units: One hundred percent of the DEA’s total obligations by decision unit are associated with drug enforcement. This total is reported and tracked in UFMS.

Full Time Equivalents (FTE): One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA’s Direct FTE total for FY 2021 including Salaries & Expenses (S&E) and Diversion Control Fee Account (DCFA) appropriations, was 8,051 through pay period 19, ending September 25, 2021.

Transfers and Reimbursements: High Intensity Drug Trafficking Area (HIDTA) transfers and reimbursable obligations are excluded from the DEA’s Table of Drug Control Obligations since they are reported by other sources.

Disclosure 2: Methodology Modifications

The DEA’s method for tracking drug enforcement resources has not been modified from the prior year methodology. The DEA uses current MCA data to allocate FY 2021 obligations from four decision units to ONDCP’s drug functions.

Disclosure 3: Material Weaknesses or Other Findings

DEA was included in the Department of Justice (DOJ) consolidated audit and did not receive a separate financial statements audit. The DOJ’s consolidated FY 2021 Independent Auditor’s Report revealed no material weaknesses or significant deficiencies.

Disclosure 4: Reprogrammings or Transfers

The DEA received five transfers during FY 2021 (see the attached Table of FY 2021 Reprogrammings and Transfers) with individual transfer amounts that matched or exceeded the \$5M or 10 percent of a specific program threshold. Three transfers were internal from DEA’s prior year funded unobligated balances to DEA’s S&E No Year account for a total of \$57,679,460.00. DEA received one transfer from HIDTA that met the reporting threshold, in the amount of \$14,705,966.00 and one interagency transfer from the Spectrum Relocation Fund (SRF) in the amount of \$10,623,250.00 to DEA’s Spectrum fund. DEA did not have a

reprogramming in FY 2021. Transfers under the Drug Resources by Function section in the Table of FY 2021 Reprogrammings and Transfers are based on the same MCA allocation percentages as the Table of Drug Control Obligations.

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Table of Reprogrammings and Transfers
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

Drug Resources by Budget Decision Unit and Function:	Transfers-in	Transfers-out	Total
Domestic Enforcement			
Intelligence	\$ 4.49		\$ 4.49
Investigations	50.05		\$ 50.05
Prevention	0.10		\$ 0.10
Total Domestic Enforcement	\$ 54.64	-	\$ 54.64
International Enforcement			
Intelligence	\$ 12.95		\$ 12.95
International	0.71		\$ 0.71
Prevention	0.00		\$ 0.00
Total International Enforcement	\$ 13.66		\$ 13.66
State and Local Assistance			
State and Local Assistance	\$ -	-	\$ -
Total State and Local Assistance	\$ -	-	\$ -
Total	\$ 68.30	-	\$ 68.30
High-Intensity Drug Trafficking Area (HIDTA) Transfers	\$ 14.70	-	\$ -



U.S. Department of Justice
Federal Bureau of Prisons

Central Office

Washington, DC 20534

Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021

On the basis of the Federal Bureau of Prisons (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the BOP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the BOP's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the BOP to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of drug-related obligations have been disclosed.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for transfers during the FY 2020. For FY 2021, there was a one-time reprogramming action of S&E funds that shifts a total of \$94.2 million from the BOP's unobligated balance in the Contract Confinement DU (\$87.7 million) and the Management and Administration DU (\$6.5 million) to the Inmate Care & Programs DU (\$20.1 million) and to the Institution and Security DU (\$74.1 million) to realign

FSA (First Step Act) funds. (see the attached Table of Reprogrammings and Transfers). In FY 2021, there was also a transfer of \$104 million from the BOP's S&E funds to Health and Human Services for Public Health Service (PHS).

7. BOP did not have any ONDCP Fund Control Notices issued in FY 2021.

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January 18, 2022

Lisa Ward,
Assistant Director
for Administration

Date

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

	FY 2021 Actual Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit #1: Inmate Care and Programs	
Treatment	\$ 90.15
Corrections	\$ 1,329.68
Total Inmate Care and Programs	\$ 1,419.83
 Decision Unit #2: Institution Security and Administration	
Corrections	\$ 1,690.60
Total Institution Security and Administration	\$ 1,690.60
 Decision Unit #3: Contract Confinement	
Treatment	\$ 35.20
Corrections	\$ 400.81
Total Contract Confinement	\$ 436.01
 Decision Unit #4: Management and Administration	
Corrections	\$ 140.94
Total Management and Administration	\$ 140.94
 Decision Unit #5: New Construction	
Corrections	\$ 0.96
Total New Construction	\$ 0.96
 Decision Unit #6: Modernization and Repair	
Corrections	\$ 66.25
Total Modernization and Repair	\$ 66.25
 Total Funding	 \$ 3,754.59

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The mission of the Federal Bureau of Prisons (BOP) is to protect society by confining offenders in the controlled environments of prisons and community-based facilities that are safe, humane, cost-efficient, appropriately secure, and which provide work and other self-improvement opportunities to assist offenders in becoming law-abiding citizens.

The BOP's drug resources are divided into two functions: 1) Treatment; and 2) Corrections.

Treatment Function Obligations are calculated by totaling, actual amount obligated (100%) for Drug Treatment Functions, which includes: Drug Program Screening and Assessment; Drug Abuse Education; Non-Residential Drug Abuse Treatment; Residential Drug Abuse Treatment; and Community Transitional Drug Abuse Treatment. The treatment obligations for Community Transitional Drug Treatment are captured in Contract Confinement Decision unit, where, as all other programs are included in Inmate Care and Program Decision Unit.

Correction Function Obligations are calculated by totaling, all BOP Direct Obligations, subtracting Treatment Functions obligations from it and applying drug percentage to these obligations. Drug percentage is the percentage of inmates sentenced for drug-related crimes (46.1%).

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021. The table represents obligations incurred by the BOP for drug control purposes. The amounts are net of all reimbursable agreements.

Data - All accounting information for the BOP is derived from the Department of Justice (DOJ) Financial Management Information System 2 (FMIS2).

Financial Systems - The FMIS2 is the DOJ financial system that provides BOP obligation data. Obligations in this system can also be reconciled with the enacted appropriation and carryover balances.

Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been changed from the prior year (FY 2020).

Disclosure 3: Material Weaknesses or Other Findings

In FY 2021, the independent auditors identified one material weakness in the Agency Financial Report. The material weakness related to BOP's financial statement preparation.

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 4: Reprogrammings or Transfers

BOP's FY 2021 obligations include all approved transfers. For FY 2021, there was a one-time reprogramming action of S&E funds that shifts a total of \$94.2 million from the BOP's unobligated balance in the Contract Confinement DU (\$87.7 million) and the Management and Administration DU (\$6.5 million) to the Inmate Care & Programs DU (\$20.1 million) and to the Institution and Security DU (\$74.1 million) to realign FSA (First Step Act) funds. (see the attached Table of Reprogrammings and Transfers). In, FY 2021, there was also a transfer of \$104 million from the BOP's S&E funds to Health and Human Services for Public Health Service (PHS).

Disclosure 5: Other Disclosures

The BOP allocates funds to the Public Health Service (PHS). The PHS provides a portion of the drug treatment for federal inmates. In FY 2021, \$481,817 was allocated from the BOP to PHS, and was designated and expended for current year obligations of PHS staff salaries, benefits, and applicable relocation expenses associated with three PHS Full Time Equivalent in relations to drug treatment. Therefore, the allocated obligations were included in BOP's Table of Drug Control Obligations.

U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Table of Reprogrammings and Transfers
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers - in	Transfers - out	Total
Decision Unit: Inmate Care and Programs				
Corrections	\$ 9.24	\$ 47.94	\$ (47.94)	\$ 9.24
Total Inmate Care and Programs	<u>\$ 9.24</u>	<u>\$ 47.94</u>	<u>\$ (47.94)</u>	<u>\$ 9.24</u>
Decision Unit: Institution Security & Administration				
Corrections	\$ 34.18	\$ 0.00	\$ 0.00	\$ 34.18
Total Institution Security & Administration	<u>\$ 34.18</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 34.18</u>
Decision Unit: Contract Confinement				
Corrections	\$ (40.43)	\$ 0.00	\$ 0.00	\$ (40.43)
Total Contract Confinement	<u>\$ (40.43)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ (40.43)</u>
Decision Unit: Management & Administration				
Corrections	\$ (2.99)	\$ 0.00	\$ 0.00	\$ (2.99)
Total Management and Administration	<u>\$ (2.99)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ (2.99)</u>
Total	<u>\$ 0.00</u>	<u>\$ 47.94</u>	<u>\$ (47.94)</u>	<u>\$ 0.00</u>



Washington, D.C. 20531

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the Office of Justice Programs (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations reported by budget decision unit represents the actual obligations derived from the OJP's accounting system of record for these budget decision units.
2. The drug methodology used by the OJP to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of drug-related obligations have been disclosed.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program.
7. OJP did not have any ONDCP Fund Control Notices issued in FY 2021.

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Rachel Johnson,
Acting Chief Financial Officer

January 18, 2022

Date

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)

FY 2021
Actual
Obligations ^{1/, 3/}

Drug Resources by Budget Decision Unit and Function:

Decision Unit #1: Regional Information Sharing System Program	
State and Local Assistance	\$ 11.45
Total, Regional Information Sharing System Program	<u>\$ 11.45</u>
Decision Unit #2: Drug Court Program	
Treatment	\$ 2.46
Total, Drug Court Program	<u>\$ 2.46</u>
Decision Unit #3: Justice and Mental Health Collaborations	
Treatment	\$ 0.76
Total, Justice and Mental Health Collaborations	<u>\$ 0.76</u>
Decision Unit #4: Residential Substance Abuse Treatment Program	
Treatment	\$ 30.41
Total, Residential Substance Abuse Treatment Program	<u>\$ 30.41</u>
Decision Unit #5: Harold Rogers' Prescription Drug Monitoring Program	
State and Local Assistance	\$ 5.50
Total, Prescription Drug Monitoring Program	<u>\$ 5.50</u>
Decision Unit #6: Second Chance Act Program	
Treatment	\$ 2.24
Total, Second Chance Act Program	<u>\$ 2.24</u>
Decision Unit #7: Project Hope Opportunity Probation with Enforcement (HOPE)	
State and Local Assistance	\$ 0.04
Total, Project Hope	<u>\$ 0.04</u>

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

Decision Unit #8: Byrne Criminal Justice Innovation Program	
State and Local Assistance	\$ 0.79
Total, Byrne Criminal Justice Innovation Program	<u>\$ 0.79</u>
Decision Unit #9: Edward Byrne Memorial Justice Assistance Grant Program	
State and Local Assistance	\$ 32.14
Total, Byrne Justice Assistance Grant Program	<u>\$ 32.14</u>
Decision Unit #10: Tribal Youth Program ^{2/}	
Prevention	\$ 0.63
Total, Tribal Youth Program	<u>\$ 0.63</u>
Decision Unit #11: Veterans Treatment Courts Program	
Treatment	\$ 0.79
Total, Veterans Treatment Courts Program	<u>\$ 0.79</u>
Decision Unit #12: Comprehensive Opioid, Stimulant, and Substance Abuse Program (COSSAP)	
Treatment	\$ 12.05
Total, COSSAP	<u>\$ 12.05</u>
Decision Unit #13: Tribal Assistance (previously Tribal Courts Program and Indian Alcohol and Substance Abuse Program) ^{2/}	
Treatment	\$ 1.46
Total, Tribal Assistance	<u>\$ 1.46</u>
Decision Unit #14: Forensic Support for Opioid and Synthetic Drug Investigations	
State and Local Assistance	\$ 0.45
Total, Forensic Support	<u>\$ 0.45</u>
Decision Unit #15: Opioid-Affected Youth Initiative	
Prevention	\$ 0.37
Total, Opioid-Affected Youth Initiative	<u>\$ 0.37</u>

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

**Decision Unit #16: Mentoring for Youth Affected by the
Opioid Crisis**

Prevention	\$	0.33
Total, Mentoring for Youth Affected by the Opioid Crisis	\$	0.33
Total Funding	\$	101.87
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$	-
Organized Crime Drug Enforcement Task Force (OCDETF)	\$	-

^{1/} Actual obligations reflect direct program obligations plus estimated management and administration obligations.

^{2/} In FY 2021, Congress provided funding for OJP's tribal programs on the Tribal Assistance and Tribal Youth Program line items, rather than under the 7% discretionary tribal justice assistance set aside that was requested in the FY 2021 President's Budget. Therefore, OJP is reporting funding for programs supported by part of the funding provided by the Tribal Assistance line item under the Tribal Courts and Indian Alcohol and Substance Abuse programs. Funding for the Tribal Youth Program is appropriated to OJP as a carveout under the Delinquency Prevention Program.

^{3/} In FY 2021, obligations for most of OJP's drug-related programs have been limited due to delays in processing grant awards under OJP's new JustGrants system. This table shows the status of drug-related program obligations as of September 30, 2021; OJP is currently planning to complete the processing of FY 2021 grant awards and obligate all FY 2021 funding by December 31, 2021. Therefore, OJP's drug-related program obligations will be unusually low in FY 2021 compared to prior years; the obligation of the remaining FY 2021 funding will be shown in the FY 2022 attestation.

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The mission of the Office of Justice Programs (OJP) is to provide leadership, resources, and solutions for creating safe, just, and engaged communities. As such, OJP's resources are primarily targeted toward assisting state, local, and tribal governments. In executing its mission, OJP dedicates a significant level of resources to drug-related program activities, which focus on addressing the public safety- and justice system-related consequences of substance misuse disorder through activities such as expanding substance misuse treatment services within the justice system, promoting problem solving courts, diversion programs and other evidence-based responses to individual with substance misuse disorder who come into contact with the justice system, supporting community-based efforts to reduce overdose death and provide substance misuse treatment services to justice-system involved individuals and those returning to the community following incarceration, substance misuse prevention and education, and research and statistics.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021. The OJP obligations reported for the Fiscal Year (FY) 2021 attestation reflect a revised drug budget methodology established by OJP and ONDCP in January 2018. This methodology was implemented to better reflect OJP contributions to the ONDCP drug strategy.

OJP's Office of the Chief Financial Officer, Budget Formulation and Appropriations Division is responsible for the development and presentation of the annual OJP ONDCP Budget. OJP's FY 2021 drug obligations have a total of 16 decision units identified for the National Drug Control Budget. Due to a change resulting from the transition from OJP's legacy financial Management system (FMIS2) to the Department of Justice (DOJ) Unified Financial Management System (UFMS), OJP has merged the Tribal Courts Program and Indian Alcohol and Substance Abuse Program decision units into a single Tribal Assistance decision unit since financial data for the two previous decision units is no longer tracked separately. During the transition to UFMS, a new line was created to separate the Mentoring for Youth Affected by the Opioid Crisis program from the large Youth Mentoring Program, allowing OJP to report financial data focused solely on this program on this program's line in the attestation. No new decision units were added in FY 2021.

The following programs are not being reported, as Congress did not enact the set aside in FY 2021: (1) the 7 percent Tribal Set Aside Coordinated Tribal Assistance Solicitation (CTAS) Purpose Area 3: Justice Systems and Alcohol and Substance Abuse, and (2) the 7 percent Tribal Set Aside - CTAS Purpose Area 9: Tribal Youth Program.

The 16 decision units in FY 2021 include the following:

- Regional Information Sharing System Program

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

- Drug Court Program
- Justice and Mental Health Collaborations
- Residential Substance Abuse Treatment Program
- Harold Rogers' Prescription Drug Monitoring Program
- Second Chance Act Program
- Project Hope Opportunity Probation with Enforcement (HOPE)
- Byrne Criminal Justice Innovation Program
- Edward Byrne Memorial Justice Assistance Grant Program
- Tribal Youth Program
- Veterans Treatment Courts Program
- Comprehensive Opioid, Stimulant, and Substance Abuse Program (COSSAP)
- Tribal Assistance (*previously Tribal Courts Program and Indian Alcohol and Substance Abuse Program*)
- Forensic Support for Opioid and Synthetic Drug Investigations
- Opioid-Affected Youth Initiative
- Mentoring for Youth Affected by the Opioid Crisis

In determining the level of resources used in support of these 16 budget decision units, OJP used the following methodology:

Drug Program Obligations by Decision Unit

Data on obligations, as of September 30, 2021, were gathered from DOJ's UFMS. The total obligations presented for OJP are net of funds obligated under the Crime Victims Fund and Public Safety Officers' Benefits Program.

FY 2021 grant awards processing and the associated obligations for many of OJP's drug-related programs were delayed past the end of the fiscal year. OJP currently anticipates completing the processing of FY 2021 grant awards by December 31, 2021. Therefore, OJP's drug-related obligations will be significantly lower in FY 2021 compared to prior years; the obligation of the remaining FY 2021 funding will be shown as part of OJP's FY 2022 drug-related obligations.

Management and Administration (M&A) Data

M&A funds are assessed at the programmatic level and obligations are obtained from UFMS. The obligation amounts were allocated to each decision unit by applying the relative percentage of Full-Time Equivalents (FTE) assigned to the 16 drug related decision units to the total M&A obligations for OJP.

Overall, OJP program activities support the four goals of the National Drug Control Strategy to: (1) strengthening the capacity of state, local, and tribal communities to identify and

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For Fiscal Year Ended September 30, 2021**

prevent substance misuse; (2) improving the response to overdose; (3) eliminating barriers to treatment availability; (4) leveraging drug courts and diversion programs. Functionally, OJP program activities fall under the following functions: State and Local Assistance, Treatment, and Prevention. To determine the function amount, OJP used an allocation method that was derived from an annual analysis of each program's mission and by surveying program officials. OJP then applied that function allocation percentage to the obligations associated with each decision unit line item.

The Table of Drug Control Obligations amounts were calculated as follows:

Function: The appropriate drug-related percentage was applied to each decision unit line item and totaled by function. For FY 2021, the 16 budget decision units had a function allocation of 100 percent.

Decision Unit: In accordance with the ONDCP Circulars and OJP's drug budget methodology, 100 percent of the actual obligations for 8 of the 16 budget decision units are included in the Table of Drug Control Obligations.

As specified in the current OJP drug budget methodology:

- Only 35 percent of the actual obligations for the Regional Information Sharing System Program are included;
- Only 15 percent of the actual obligations for Justice and Mental Health Collaborations are included;
- Only 35 percent of the actual obligations administered by the Bureau of Justice Assistance (BJA) and 12 percent of the actual obligations administered by the Office of Juvenile Justice and Delinquency Prevention (OJJDP) under the Second Chance Act are included;
- Only 30 percent of the actual obligations for the Byrne Criminal Justice Innovation Program and Tribal Youth Program are included;
- Only 10 percent of the actual obligations for the Edward Byrne Memorial Justice Assistance Grants Program are included;
- Only 30 percent of the actual obligations for the Tribal Youth program are included;
- Only 80 percent of the actual obligations for the Tribal Courts Program and Indian Alcohol and Substance Abuse Program are included; and

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- Only 49 percent of total actual obligations for the Paul Coverdell Forensic Science Improvement Grants Program are included to represent the activity under the Forensic Support for Opioid and Synthetic Drug Investigations decision unit.

Disclosure 2: Methodology Modifications

As noted above, OJP and ONDCP agreed to a revised drug budget methodology for OJP programs in January 2018. Since the implementation of this methodology in FY 2018, there have been no significant changes to OJP's methodology for reporting drug budget obligations.

Funding for OJP tribal programs in the FY 2021 attestation is reported under:

- The Tribal Courts and Indian Alcohol and Substance Abuse decision units (both of which are funded from the Tribal Assistance line item appropriation); and
- The Tribal Youth Program (which is funded as a carveout from the Delinquency Prevention Program line item appropriation).

As noted above, changes in the structure of OJP's financial system during the transition between FMIS2 and UFMS have led to small changes in the reporting of financial data other than obligations for the Tribal Assistance (formerly the Tribal Courts and Indian Alcohol and Substance Abuse Program) and Mentoring for Youth Affected by the Opioid Crisis decision units.

- In past attestations, OJP was able to report non-obligation financial data specific to the Tribal Courts and Indian Alcohol and Substance Abuse decision units. Now that these two decision units have been combined (along with two other programs) into the Tribal Assistance decision unit under UFMS, all financial data other than obligations now reflects the Tribal Assistance decision unit as a whole (which includes both drug-related and non-drug-related funding).
- In past attestations, the Mentoring for Youth Affected by the Opioid Crisis decision unit funding was reported in FMIS2 as part of the larger Youth Mentoring Program; therefore, all financial data (other than obligations) represented the Youth Mentoring Program as a whole. Now that the Mentoring for Youth Affected by the Opioid Crisis decision unit is tracked on its own line in UFMS, all of the financial data reported in this attestation is specific to this decision unit.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2021, OJP was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2021 *Independent Auditors' Report* revealed a deficiency at OJP for monitoring cloud services organizations used to support the new grants management financial process, and deficiencies at three other DOJ components, which was reported as a consolidated material weakness by the auditors. In DOJ's FMFIA Assurance Statement, we reported the OJP weakness as a significant deficiency in internal controls.

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will assess and implement controls to address risks associated with changes to accounting standards, implementation of new systems, and utilization of new service organizations. The Auditors found the Department's financial statements are fairly presented as of and for the year ended September 30, 2021. An unmodified opinion was issued. There were no findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

In accordance with the ONDCP's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, OJP has provided the attached Table of Reprogrammings and Transfers. In FY 2021, for the reported decision units and programs, OJP had no reprogrammings, and \$43.34 million and \$92.49 million in drug-related transfers-in and transfers-out, respectively. The transfers-in amounts include OJP's FY 2021 prior-year recoveries associated with the reported budget decision units. The transfers-out amounts reflect the assessments for the 2.0 percent Research, Evaluation, and Statistics (RES) set aside and M&A assessments against OJP programs.

The RES 2.0 percent set-aside was directed by Congress for funds to be transferred to and merged with funds provided to the National Institute of Justice and the Bureau of Justice Statistics to be used for research, evaluation, or statistical purposes. In FY 2021, Congress provided OJP the authority to assess programs for administrative purposes.

Disclosure 5: Other Disclosures

In FY 2021, OJP's drug-related programs were supported by \$41 million in unobligated resources carried forward from previous fiscal years. Of this amount, \$26.12 million was rescinded to assist in addressing rescission against OJP's past years' unobligated balances that was included in the Consolidated Appropriations Act of 2021. (For a program-by-program breakdown of carryforward and rescission amounts, please refer to the Funding Crosswalk for Drug Programs table.)

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Detailed Accounting Report
Table of Reprogrammings and Transfers
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings ^{1/}	Transfers-in ^{2/}	Transfers-out ^{3/}	Total
Decision Unit #1: Regional Information Sharing System Program				
State and Local Assistance	\$ -	\$ 37.08	\$ (0.80)	\$ 36.28
Total, Regional Information Sharing System Program	<u>\$ -</u>	<u>\$ 37.08</u>	<u>\$ (0.80)</u>	<u>\$ 36.28</u>
Decision Unit #2: Drug Court Program				
Treatment	\$ -	\$ 0.59	\$ (7.73)	\$ (7.14)
Total, Drug Court Program	<u>\$ -</u>	<u>\$ 0.59</u>	<u>\$ (7.73)</u>	<u>\$ (7.14)</u>
Decision Unit #3: Justice and Mental Health Collaborations				
Treatment	\$ -	\$ 0.31	\$ (3.26)	\$ (2.95)
Total, Justice and Mental Health Collaborations	<u>\$ -</u>	<u>\$ 0.31</u>	<u>\$ (3.26)</u>	<u>\$ (2.95)</u>
Decision Unit #4: Residential Substance Abuse Treatment Program				
Treatment	\$ -	\$ 0.36	\$ (3.17)	\$ (2.81)
Total, Residential Substance Abuse Treatment Program	<u>\$ -</u>	<u>\$ 0.36</u>	<u>\$ (3.17)</u>	<u>\$ (2.81)</u>

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Table of Reprogrammings and Transfers – Continued
For Fiscal Year Ended September 30, 2020
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings ^{1/}	Transfers-in ^{2/}	Transfers-out ^{3/}	Total
Decision Unit #5: Harold Rogers' Prescription Drug Monitoring Program				
State and Local Assistance	\$ -	\$ 0.12	\$ (2.98)	\$ (2.86)
Total, Prescription Drug Monitoring Program	<u>\$ -</u>	<u>\$ 0.12</u>	<u>\$ (2.98)</u>	<u>\$ (2.86)</u>
Decision Unit #6: Second Chance Act Program				
Treatment	\$ -	\$ 2.12	\$ (8.89)	\$ (6.77)
Total, Second Chance Act Program	<u>\$ -</u>	<u>\$ 2.12</u>	<u>\$ (8.89)</u>	<u>\$ (6.77)</u>
Decision Unit #7: Project Hope Opportunity Probation with Enforcement (HOPE)				
State and Local Assistance	\$ -	\$ 0.01	\$ (0.42)	\$ (0.41)
Total, Project Hope	<u>\$ -</u>	<u>\$ 0.01</u>	<u>\$ (0.42)</u>	<u>\$ (0.41)</u>
Decision Unit #8: Byrne Criminal Justice Innovation Program				
State and Local Assistance	\$ -	\$ 0.05	\$ (2.05)	\$ (2.00)
Total, Byrne Criminal Justice Innovation Program	<u>\$ -</u>	<u>\$ 0.05</u>	<u>\$ (2.05)</u>	<u>\$ (2.00)</u>

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Table of Reprogrammings and Transfers – Continued
For Fiscal Year Ended September 30, 2020
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings ^{1/}	Transfers-in ^{2/}	Transfers-out ^{3/}	Total
Decision Unit #9: Edward Byrne Memorial Justice Assistance Grant Program				
State and Local Assistance	\$ -	\$ 1.06	\$ (33.54)	\$ (32.48)
Total, Byrne Justice Assistance Grant Program	<u>\$ -</u>	<u>\$ 1.06</u>	<u>\$ (33.54)</u>	<u>\$ (32.48)</u>
Decision Unit #10: Tribal Youth Program ^{4/}				
Prevention	\$ -	\$ -	\$ (0.93)	\$ (0.93)
Total, Tribal Youth Program	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0.93)</u>	<u>\$ (0.93)</u>
Decision Unit #11: Veterans Treatment Courts Program				
Treatment	\$ -	\$ 0.33	\$ (2.33)	\$ (2.00)
Total, Veterans Treatment Courts Program	<u>\$ -</u>	<u>\$ 0.33</u>	<u>\$ (2.33)</u>	<u>\$ (2.00)</u>
Decision Unit #12: Comprehensive Opioid, Stimulant, and Substance Abuse Program (COSSAP)				
Treatment	\$ -	\$ 0.24	\$ (17.23)	\$ (16.99)
Total, COSSAP	<u>\$ -</u>	<u>\$ 0.24</u>	<u>\$ (17.23)</u>	<u>\$ (16.99)</u>

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Table of Reprogrammings and Transfers – Continued
For Fiscal Year Ended September 30, 2020
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings ^{1/}	Transfers-in ^{2/}	Transfers-out ^{3/}	Total
Decision Unit #13: Tribal Assistance <i>(previously Tribal Courts Program and Indian Alcohol and Substance Abuse Program) ^{4/, 5/}</i>				
Treatment	\$ -	\$ 0.38	\$ (5.16)	\$ (4.78)
Total, Tribal Assistance	\$ -	\$ 0.38	\$ (5.16)	\$ (4.78)
Decision Unit #14: Forensic Support for Opioid and Synthetic Drug Investigations State and Local Assistance				
	\$ -	\$ 0.68	\$ (3.07)	\$ (2.39)
Total, Forensic Support	\$ -	\$ 0.68	\$ (3.07)	\$ (2.39)
Decision Unit #15: Opioid-Affected Youth Initiative Prevention				
	\$ -	\$ 0.01	\$ (0.93)	\$ (0.92)
Total, Opioid-Affected Youth Initiative	\$ -	\$ 0.01	\$ (0.93)	\$ (0.92)
Decision Unit #16: Mentoring for Youth Affected by the Opioid Crisis ^{6/}				

U.S. Department of Justice
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Detailed Accounting Submission
Table of Reprogrammings and Transfers – Continued
For Fiscal Year Ended September 30, 2020
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings ^{1/}	Transfers-in ^{2/}	Transfers-out ^{3/}	Total
Prevention	\$ -	\$ -	\$ -	\$ -
Total, Mentoring for Youth Affected by the Opioid Crisis	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ 43.34	\$ (92.49)	\$ (49.15)

Notes:

^{1/} There were no reprogrammings related to the programs displayed in this table in FY 2021.

^{2/} Amounts shown for Transfers In reflect a Congressionally-directed \$37.07 million transfer from COPS to fund the Regional Information Sharing System program and \$0.36 million from COPS and OVW to support training and technical assistance under OJP's Tribal Courts program, as well as FY 2021 recoveries.

^{3/} Amounts shown for Transfers Out include all funding assessed from these programs to support the 2.0% Research, Evaluation, and Statistics set aside and OJP Management and Administration, as well as a transfer of \$0.88 million to the Department of the Interior/Bureau of Indian Affairs to support relevant awards under its Indian Employment, Training, and Related Services Demonstration Act (447) program.

^{4/} In FY 2021, Congress provided funding for OJP's tribal programs on the Tribal Assistance and Tribal Youth Program line items, rather than under the 7% discretionary tribal justice assistance set aside that was requested in the FY 2021 President's Budget. Therefore, OJP is reporting funding for programs supported by part of the funding provided by the Tribal Assistance line item under the Tribal Courts and

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Table of Reprogrammings and Transfers – Continued
For Fiscal Year Ended September 30, 2020
(Dollars in Millions)**

Indian Alcohol and Substance Abuse programs. Funding for the Tribal Youth Program is appropriated to OJP as a carveout under the Delinquency Prevention Program.

^{5/} In FY 2021, OJP transitioned from its legacy financial management system (FMIS2) to DOJ's standard financial management system (UFMS). During this transition, four reporting lines from the FMIS2 system (the Tribal Courts, Indian Alcohol and Substance Abuse, Tribal Criminal and Civil Legal Assistance (TCCCLA), and the Indian Country Prison Grants/Tribal Construction programs) were combined into one line in UFMS (Tribal Assistance) to better fit the current appropriations structure for these programs. OJP will not be able to track financial data on the Tribal Courts Program and Indian Alcohol and Substance Abuse Program separately and therefore has merged data for both of these programs into a single line (Tribal Assistance).

^{6/} In FY 2021, OJP transitioned from its legacy financial management system (FMIS2) to DOJ's standard financial management system (UFMS). During this transition, a separate line (that was not present in the FMIS2 system) was created in UFMS to track financial data on the Mentoring for Youth Affected by the Opioid Crisis program. Therefore, all data on this line reflects the Mentoring for Youth Affected by the Opioid Crisis program and does not include any funding related to the Youth Mentoring program (as it did in the past).



U.S. Department of Justice

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**Detailed Accounting Report
Management’s Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the United States Attorneys management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, we assert that the United States Attorneys’ system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the United States Attorneys accounting system of record for these Budget Decision Units.
2. The drug methodology used by the United States Attorneys to calculate obligations of budgetary resources by function and budget decision is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2021.
7. The United States Attorneys did not have any ONDCP Fund Control Notices issued in FY 2021.

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Jonathan Pelletier
Chief Financial Officer

Date

U.S. Department of Justice
United States Attorneys
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)

FY 2021
Actual Obligations

Drug Obligations by Budget Decision Unit and Function:

Decision Unit : Criminal

Prosecution

\$ 126.35

Total Criminal Decision Unit

\$ 126.35

Total Drug Control Obligations

\$ 126.35

High-Intensity Drug Trafficking Area (HIDTA) Obligations

\$ 0.56

**U.S. Department of Justice
United States Attorneys
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The United States Attorneys work in conjunction with law enforcement to disrupt domestic and international drug trafficking and narcotics production through comprehensive investigations and prosecutions of criminal organizations. A core mission of each of the United States Attorneys' Offices (USAOs) is to prosecute violations of Federal drug trafficking, controlled substance, money laundering, and related Federal laws in order to deter continued illicit drug distribution and use in the United States. This mission includes utilizing the grand jury process to investigate and uncover criminal conduct and subsequently presenting the evidence in court as part of prosecution of individuals and organizations who violate Federal law. USAOs also work to dismantle criminal drug organizations through asset forfeiture, thereby depriving drug traffickers of the proceeds of illegal activities.

In addition to this traditional prosecutorial role, efforts to discourage illegal drug use and to prevent recidivism by convicted drug offenders also form important parts of the USAO's drug control mission. Each USAO is encouraged to become involved in reentry programs that may help prevent future crime, including drug crimes. Reentry programs, such as reentry courts, typically include access to drug treatment and support for recovery. Prosecutors and USAO staff also participate in community outreach through initiatives that educate communities about the hazards of drug abuse.

The United States Attorneys community does not receive a specific appropriation for drug-related work in support of the National Drug Control Strategy. The United States Attorneys drug resources are part of, and included within, the United States Attorneys annual Salaries and Expenses (S&E) Appropriation. As a result of not having a specific line item for drug resources within our appropriation, the United States Attorneys have developed a drug budget methodology based on workload data. The number of work years dedicated to non-OCDETF drug related prosecutions is taken as a percentage of total workload. This percentage is then multiplied against total obligations to derive estimated drug related obligations.

Data – In FY 2021, all financial information for the United States Attorneys was derived from Department of Justice's (DOJ's) Unified Financial Management System (UFMS). Workload information was derived from the United States Attorneys' USA-5 Reporting System.

Financial Systems –UFMS is DOJ's financial system. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications were made to the drug methodology from prior years.

Disclosure 3: Material Weaknesses or Other Findings

The United States Attorneys community is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2021, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statement audit. The fiscal year 2021 audit resulted in an unmodified opinion on the financial statements.

It is important to note that the Department implemented significant improvements to the financial statement compilation and review controls. KPMG identified a material weakness in the FY 2021 Independent Auditors' Report, noting that improvements are needed in management's risk assessment process, monitoring, and financial statement preparation and review. The audit required under Government Auditing Standards revealed no instances of non-compliance or other matters. KPMG subsequently conducted tests that disclosed no instances where the Department's financial management systems were substantially non-compliant with Federal Financial Management Improvement Act (FFMIA).

Disclosure 4: Reprogrammings or Transfers

There was no drug related reprogrammings or transfers that affected drug-related budgetary resources in FY 2021.



**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the Organized Crime Drug Enforcement Task Forces (OCDETF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the OCDETF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations reported by budget decision unit represents the actual obligations derived from OCDETF's accounting system of record for these Budget Decision Units.
2. The drug methodology used by OCDETF to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2021.

7. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2021.

JESSICA
CROWLEY

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Jessica Crowley, Budget Officer

January 18, 2022

U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces (OCDEF) Program
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021

Dollars in Millions

Drug Obligations by Decision Unit and Function	FY 2021 Actual Obligations	FY 2021 OCDEF Executive Office*	FY 2021 Carryover	Total FY 2021 Actual Obligations
Investigations:				
Drug Enforcement Administration (DEA)	\$ 178.66	\$ 2.55	\$ 1.72	\$ 182.93
Federal Bureau of Investigation (FBI)	127.64	1.82	1.23	130.69
U.S. Marshals Service (USMS)	11.84	0.17	0.11	12.12
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	12.03	0.17	0.12	12.32
OCDEF Fusion Center (OFC)	31.03	0.44	3.79	35.27
International Organized Crime Intelligence and Operations Center (IOC-2)	5.68	0.08	0.05	5.81
National Emerging Threats	1.02	0.01	0.01	1.05
Co-located Strike Forces Operations	5.81	0.08	0.06	5.95
TOTAL INVESTIGATIVE DECISION UNIT	\$ 373.70	\$ 5.34	\$ 7.10	\$ 386.13
Prosecutions:				
U.S. Attorneys (USAs)	\$ 165.25	\$ 2.36	\$ 0.00	\$ 167.61
Criminal Division (CRM)	2.55	0.04	0.00	2.59
EXO Threat Response Unit (TRU)	1.21	0.02	0.00	1.22
TOTAL PROSECUTORIAL DECISION UNIT	\$ 169.01	\$ 2.41	\$ 0.00	\$ 171.42
Total Drug Control Obligations	\$ 542.70	\$ 7.75	\$ 7.10	\$ 557.55

(*Includes funding for the following agencies: HSI \$1.12 USCG \$1.783 USSS \$0.70 all split among Investigative Decision Unit)

**U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces Program
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The Organized Crime Drug Enforcement Task Forces (OCDETF) Program is comprised of member agencies from three different Departments: the Department of Justice (DOJ), the Department of Treasury (Treasury), and the Department of Homeland Security (DHS). Beginning in FY 1998 and continuing through FY 2003, OCDETF member agencies were funded through separate appropriations. (Prior to the creation of DHS, which involved the transfer of the U.S. Coast Guard to DHS from the Department of Transportation, OCDETF was funded in DOJ, Treasury and Transportation appropriations.)

During FY 2004 and FY 2005, the DOJ's Interagency Crime and Drug Enforcement (ICDE) appropriation included funding to reimburse agencies in the DOJ, Treasury and DHS for their participation in the OCDETF Program. The availability of a consolidated budget has been critical to the OCDETF Program's ability both to ensure the proper and strategic use of OCDETF resources and to effectively monitor Program performance across all Departments and participating agencies. However, Congress repeatedly expressed concern with funding non-DOJ agencies via a DOJ appropriations account, and in FY 2005, Congress decreased base funding for non-DOJ program participants.

Recognizing that uncertainty surrounding funding levels for non-DOJ participants posed great difficulties for OCDETF in terms of program planning and administration, the Administration has not submitted a consolidated budget for the program since FY 2007. Instead, funding for the OCDETF Program's non-DOJ partners was requested through direct appropriations for Treasury and DHS. Currently, only DOJ OCDETF appropriated funding comes from the ICDE account.

The OCDETF Program is directly charged with carrying out the DOJ drug supply reduction strategy, and all of its activities are aimed at achieving a measurable reduction in the availability of drugs in this country. The disruption and dismantlement of drug trafficking networks operating regionally, nationally, and internationally is a critical component of the supply reduction effort. In particular, the OCDETF Program requires that in *each* OCDETF case, investigators identify and target the financial infrastructure that permits the drug organization to operate.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021. The Table represents obligations from the ICDE account incurred by OCDETF for drug control purposes. All amounts are net of reimbursable agreements.

Data - All accounting information for the OCDETF Program is derived from the DOJ United Financial Management System (UFMS). ICDE resources are reported as 100 percent drug-related because the entire focus of the OCDETF Program is drug control.

Financial Systems - UFMS is the financial system used to provide all ICDE obligation data. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balances.

The Administration's request for the OCDETF Program reflects a restructuring that collapses the OCDETF Program's four areas - Investigations, Drug Intelligence, Prosecution, and Administrative Support- into two decision units- Investigations and Prosecutions. Under this methodology, the Administrative Support of the OCDETF Executive Office is pro-rated among decision units based on the percentage of appropriated ICDE Program funding. Additionally, Drug Intelligence Costs is reported as part of the Investigations Decision Unit.

The OCDETF Program's Decision Units are divided according to the two major activities of the Task Force – Investigations and Prosecutions – and reflect the amount of reimbursable ICDE resources appropriated for each participating agency. With respect to the Table of Drug Control Obligations, the calculated amounts were derived from the UFMS system as follows:

- a. Investigations Function - This decision unit includes the reimbursable resources that support investigative activities of the following participating agencies: the Drug Enforcement Administration; Federal Bureau of Investigation; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the U.S. Marshals Service; the OCDETF Fusion Center; and the International Organized Crime Intelligence and Operations Center. The methodology applies 100 percent of the resources that support the OCDETF Program's investigative activities.
- b. Prosecution Function - This decision unit includes the reimbursable prosecution resources for the following participating DOJ agencies: the U.S. Attorneys; the Criminal Division; and the OCDETF Executive Office Threat Response Unit. The methodology applies 100 percent of the OCDETF Program's Prosecution resources to the Prosecution Decision Unit.

Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been modified from previous years.

Disclosure 3: Material Weaknesses or Other Findings

The OCDETF Program is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2021, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2021 *Independent Auditors' Report* revealed no material weaknesses or significant deficiencies directed at OCDETF. Additionally, the Department's assessment of risk and internal control in FY 2021 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2021.



U.S. Department of Justice

United States Marshals Service

Office of the Chief Financial Officer

Washington, DC 20530-0001

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021**

On the basis of the United States Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the USMS system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the USMS's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the USMS to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2021.
7. The USMS did not have any ONDCP Fund Control Notices issued in FY 2021.

Holley O'Brien
Holley O'Brien
Chief Financial Officer

1/18/2022
Date

U.S. Department of Justice
U.S. Marshals Service
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)

	FY 2021 Actual Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit #1: Fugitive Apprehension	
International	\$1.45
Investigations	\$143.07
Total Fugitive Apprehension	\$144.51
Decision Unit #2: Judicial and Courthouse Security	
Prosecution	\$168.00
Total Judicial and Courthouse Security	\$168.00
Decision Unit #3: Prisoner Security and Transportation	
Prosecution	\$89.59
Total Prisoner Security and Transportation	\$89.59
Decision Unit #4: Detention	
Corrections	\$792.18
Total Detention	\$792.18
Total Funding	\$1,194.29
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$0.90
Organized Crime Drug Enforcement Task Force (OCDETF)	\$12.01

* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary

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Related Disclosures
For Fiscal Year Ended September 30, 2021**

Disclosure 1: Drug Methodology

The USMS does not receive a specific appropriation for drug-related work in support of the National Drug Control Strategy. Therefore, the USMS uses drug-related workload data to develop drug control ratios for some decision units, and the average daily population (ADP) for drug offenses to determine the drug prisoner population cost for the Detention Services decision unit.

Three decision units, Fugitive Apprehension, Judicial & Courthouse Security, and Prisoner Security & Transportation, are calculated using drug-related workload ratios applied to the Salaries & Expenses (S&E) appropriation. For the Fugitive Apprehension decision unit, the USMS uses drug-related workload ratios based on the number of all warrants cleared, including felony offense classifications for Federal, state, and local warrants such as narcotics possession, manufacturing, and distribution. To calculate the drug-related workload percentage for this decision unit, the USMS divides the number of drug-related warrants cleared by the total number of warrants cleared. For the Judicial & Courthouse Security, and Prisoner Security & Transportation decision units, the USMS uses drug-related workload ratios based only on in custody, drug-related, primary Federal offenses, such as various narcotics possession, manufacturing, and distribution charges. Primary offense refers to the crime with which the accused is charged that usually carries the most severe sentence. To calculate the drug-related workload percentages for these two decision units, the USMS divides the number of drug-related offenses in custody by the total number of offenses in custody. The USMS derives its drug related obligations for these three decision units starting with the USMS S&E appropriation actual obligations at fiscal year-end as reported in the Standard Form-133, *Report on Budget Execution and Budgetary Resources*. The previously discussed drug workload ratios by decision unit are then applied to the total S&E annual appropriation to derive the drug-related obligations.

Detention services obligations are funded through the Federal Prisoner Detention (FPD) Appropriation. The USMS is responsible for Federal detention services relating to the housing and care of Federal detainees remanded to USMS custody, including detainees booked for drug offenses. The FPD appropriation funds the housing, transportation, medical care, and medical guard services for the detainees. FPD resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to the Bureau of Prisons. The FPD appropriation does not include specific resources dedicated to the housing and care of the drug prisoner population. Therefore, for the Detention Services decision unit, the methodology used to determine the cost associated with the drug prisoner population is to multiply the ADP for drug offenses by the per diem rate (housing cost per day), which is then multiplied by the number of days in the year.

Data – All accounting information for the USMS, to include S&E and FPD appropriations, is derived from the USMS Unified Financial Management System (UFMS). The population counts and the daily rates paid for each detention facility housing USMS prisoners are maintained by the USMS Capture operational information

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and case management system. The data describe the actual price charged by state, local, and private detention facility operators and is updated on an as needed, case-by-case basis when rate changes are implemented. In conjunction with daily reports of prisoners housed, a report is compiled describing the price paid for non-federal detention space on a weekly and monthly basis. Data are reported on both district and national levels. The daily population counts and corresponding per diem rate data capture actuals for the detention population count and for the expenditures to house the population.

The drug-related statistical data (e.g., drug-related offenses in custody) are also queried from the USMS Capture operational information and case management system. System administrators perform a variety of checks and updates to ensure that accurate information is contained. The information on offenses and warrants is live, so information queried for year-end reporting is a snapshot-in-time. Due to continuous user activity in Capture, the statistics in this report cannot be exactly replicated. The data in Capture is dynamic, and the statistics are only current as of the date and time the report was compiled.¹

Financial Systems – UFMS is the financial system that provides USMS with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

The USMS drug budget methodology applied is consistent with the prior year and there were no modifications.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2021, the USMS was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit opinion. The DOJ’s consolidated FY 2021 Independent Auditors’ Report, which was performed in Accordance with *Government Auditing Standards*, revealed no material weaknesses, significant deficiencies, or other findings for the USMS. Additionally, the Department’s review of the USMS internal controls as well as program activity for FY 2021 conducted in accordance with OMB Circular A- 123 did not identify any findings that adversely affected the functioning of existing controls, or the integrity of the data used in published financial reports.

Disclosure 4: Reprogrammings or Transfers

There were no reprogramming or transfers that directly affected drug-related budgetary resources.

Disclosure 5: Other Disclosures

¹ Capture data reports were generated in October, 2021.

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For Fiscal Year Ended September 30, 2021**

None.



DEPARTMENT OF JUSTICE | OFFICE OF THE INSPECTOR GENERAL

January 31, 2022

Jon E. Rice

Budget Coordinator & Assistant Director for the Office of Performance and Budget

Office of National Drug Control Policy

1800 G Street, N.W.

Washington, D.C. 20503

Dear Mr. Rice:

This letter transmits the Office of the Inspector General's Review of the U.S. Department of Justice's Accounting of Drug Control Funding for Fiscal Year 2021. This review is required by 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021.

Enclosed are two versions of the final report. The Limited Official Use version of the report contains pre-decisional federal budget information and care should be taken to properly safeguard this version of the report to protect the sensitive information from improper disclosure. The redacted, non-sensitive version of the report will be released publicly on our website on Tuesday, February 1, 2022.

If you have any questions, please contact me at (202) 514-3435 or Kelly A. McFadden, Director, Financial Statement Audit Office, at (202) 616-4642.

Sincerely,

A handwritten signature in blue ink that reads "Michael E. Horowitz".

Michael E. Horowitz

Inspector General

Enclosures

cc: Lee J. Lofthus
Assistant Attorney General for Administration
Chief Financial officer
Justice Management Division

Tab K



February 14, 2022

Mr. Jon Rice
Assistant Director for the Office of Performance and Budget
Division of Interagency Performance and Budget
Office of Budget and Performance
Office of National Drug Control Policy
Executive Office of the President
Washington, D.C. 20503

Mr. Rice –

Please find attached the Department of Labor’s (DOL) FY 2021 Budget Formulation, Detailed Accounting, and Performance Summary Reports (Report).

In accordance with the “ONDCP Circular, National Drug Control Program Agency Compliance Reviews”, issued September 9, 2021, DOL affirms the assertions identified below are fairly presented in all material respects with the ONDCP established criteria. As the Department’s FY 2021 obligations for drug-related activities fall below the threshold of \$50 million, an Inspector General attestation is not required and therefore does not accompany the DOL Report.

Timeliness and Accurate Reporting of Budget Levels

DOL affirms that an FY 2023 Summer Drug Budget Transmittal Letter and an FY 2023 Summer Budget Resource Summary Table were provided to ONDCP. DOL affirms that the Summer Letter and Resource Summary Table were provided to ONDCP around the same time as that budget request was submitted to DOL superiors. DOL affirms that a budget submission was provided without alteration or adjustment by any official at the Department.

Detailed Accounting Report (DAR)

DOL affirms that the data and information presented on prior year obligations has been reported to the best of the Department’s ability. This specifically entails and refers to obligations by budget decision unit, drug methodology (data and financial systems), application of drug methodology, material weaknesses or other findings, methodology modifications, reprogrammings or transfers, and fund control notices.

Performance Summary Report (PSR)

DOL affirms that the performance data has been reported to the best of the Department’s ability. This specifically entails and refers to a performance reporting system that is appropriate and applied, reasonable explanations for not meeting any performance targets, reasonable and consistently applied methodology to establish performance targets, and ensuring adequate performance measures exist.

U.S. Department of Labor

**Office of the Assistant Secretary
for Administration and Management
Washington, D.C. 20210**



If you have any questions, please contact Mark Wichlin at (202) 693-4070.

Sincerely,

Geoffrey Kenyon
Deputy Assistant Secretary for Budget and Performance

DEPARTMENT OF LABOR
Employment and Training Administration
Dislocated Worker National Reserve
Accounting and Performance Summary

Budget Authority (in Millions)		
Resource Summary	FY 2021 Enacted BA	FY 2021 Final Obligations
Drug Resources by Function Recovery	\$24.9	\$24.9
Drug Resources by Decision Unit National Health Emergency Grants	\$24.9	\$24.9

The HHS declaration of opioid abuse as a national health emergency permits the Department to award Disaster Recovery Dislocated Worker grants. This appropriation may be used for these grants until HHS’s health emergency declaration expires. Because no funding is appropriated specifically for the National Health Emergency Grants, the funding amount in the “Enacted BA” column is equal to the final obligations.

MISSION

Disaster Recovery Dislocated Worker Grants (DWGs) are intended to create temporary employment opportunities aimed at alleviating humanitarian and other needs created by the opioid crisis. Grantees may also use these funds to provide services to reintegrate into the workforce eligible participants affected by the crisis and train individuals to work in mental health treatment, addiction treatment, and pain management.

The Dislocated Worker National Reserve operates on a program year (PY) basis – as opposed to a fiscal year (FY) basis. Funds appropriated for Program Year 2020 were available for obligation from July 1, 2020 through September 30, 2021. However, the budget authority tables reflect what was obligated during FY 2021. Because no funds are appropriated specifically for the National Health Emergency Grants, both the Enacted BA and the Obligations align with what was obligated during the fiscal year. During Fiscal Year 2021, the Department obligated grant awards totaling \$24.9 million to address the opioid crisis.

DRUG METHODOLOGY

Opioid abuse impacts both employed and unemployed workers. Research has shown that the number of opioid prescriptions correlates in many areas with a reduction of labor force participation rates, as well as an increase in unemployment rates coincident with increases in opioid-related hospitalizations, although it is unclear whether opioid addiction is a cause of unemployment or an effect of scarce employment opportunities. Additionally, lost workforce productivity in American businesses as a result of opioid abuse—as demonstrated through

diminished job performance, absenteeism, incarceration, and even death—has approached \$20 billion annually. Researchers have estimated lost wages due to overdose deaths at \$800,000 per person.

In FY 2019, the Department provided guidance for how states can apply for National Health Emergency (NHE) Disaster Recovery Dislocated Worker Grants (DWGs) to respond to the opioid crisis. Successful opioid Disaster Recovery DWG projects will accomplish the following: facilitate community partnerships that are central to dealing with this complex health crisis; provide training that builds the skilled workforce in professions that could impact the causes and treatment of the opioid crisis; ensure timely delivery of appropriate, necessary career, training, and support activities; and create temporary disaster-relief employment that addresses the unique impacts of the opioid crisis in affected communities.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Employment and Training Administration
Office of Job Corps
Accounting and Performance Summary

Budget Authority (in Millions)		
Resource Summary	FY 2021 Enacted BA	FY 2021 Final Obligations
Drug Resources by Function	\$6.0	\$6.0
Prevention		
Drug Resources by Decision Unit		
Trainee Employment Assistance Program (TEAP)	\$5.3	\$5.3
Drug Testing Contract Support	\$0.7	\$0.7

MISSION

The Job Corps program is administered by the Department of Labor’s Employment and Training Administration (ETA). Established in 1964, the Job Corps program is a comprehensive, primarily residential, academic and career technical training program for economically disadvantaged youth, ages 16-24. There are currently 121 Job Corps centers nationwide in 50 states, Puerto Rico, and the District of Columbia providing services to approximately 50,000 at-risk youth each year to help them acquire high school diplomas and occupational credentials leading to a career. A component of this program that also teaches life skills is the Trainee Employment Assistance Program (TEAP), which includes components for drug prevention and drug education activities as related to job preparation for Job Corps program participants.

The Jobs Corps program operates on a program year (PY) basis – as opposed to a fiscal year (FY) basis. Funds appropriated for Program Year 2020 were available for obligation from July 1, 2020 through June 30, 2021. However, the budget authority tables reflect what was obligated during FY 2021. During FY 2021, the Department obligated \$6 million toward TEAP and drug testing contract support.

DRUG METHODOLOGY

The Office of Job Corps’ expenditures for the TEAP program are for counselors to prepare Job Corps program participants for employment, including: education on the implications of alcohol, drug and tobacco use; abuse and prevention awareness activities; development of programs to prevent alcohol, drug and tobacco use and abuse among the student population; development and coordination of community resources to educate students on substance use

and abuse; and identification of and provision of counseling services to students with substance abuse problems and arrangement of appropriate treatment. In addition, the budget includes the full cost of drug testing each individual student upon entry.

METHODOLOGY MODIFICATIONS

Job Corps implemented a Spring Break from March 16, 2020 to May 10, 2020 and sent all active students home to protect them from the COVID-19 pandemic. From May 11, 2020 until November 7, 2020, Job Corps operated in a predominantly virtual status except for a small number of students who remained at select centers. During virtual instruction, Job Corps suspended all drug testing but continued to provide services to all students, virtually or physically, in the areas of TEAP, mental health, and physical health.

As of November 8, 2020, Job Corps centers began welcoming currently enrolled students back to campuses for in-person learning. As of May 25, 2021, Job Corps centers began enrolling new students virtually, with the first group of these students arriving on campuses for in-person learning on July 27, 2021. This has been a phased-in and continuing process based on community COVID-19 risk factors and staffing capacity. Once Job Corps students returned to campuses, drug testing was reinstated.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Office of Workers' Compensation Programs
Special Benefits
Accounting and Performance Summary

Budget Authority (in Millions)		
Resource Summary	FY 2021 Enacted BA	FY 2021 Final Obligations
Drug Resources by Function	\$7.8	\$7.8
Prevention		
Drug Resources by Decision Unit		
Prescription Management Unit	\$6.8	\$6.8
Pharmacy Benefit Management Services	\$1.0	\$1.0

MISSION

The Special Benefits program is administered by the Department of Labor's Office of Workers' Compensation Programs (OWCP). The Special Benefits fund, administered by OWCP, comprises two accounts representing obligations for benefits under the Federal Employees' Compensation Act (FECA), as amended, with extensions, and the Longshore and Harbor Workers' Compensation Act (LHWCA), as amended, with extensions. The requested funding provides resources necessary to meet required payments for compensation, medical costs, vocational rehabilitation, and other benefits made to eligible claimants or their survivors as mandated by each of the Acts. Under extensions of FECA, the program pays benefits to certain groups, such as War Hazards Compensation Act claimants, non-Federal law enforcement officers, Job Corps enrollees, and certain Federally supported volunteers.

Spending authority is also provided for FECA program administration out of annual "Fair Share" collections. Fair Share assessments are mandated under Section 8147(c) of the FECA for 23 nonappropriated agencies, including the United States Postal Service, with each paying a pro rata share of OWCP's cost to administer FECA claims filed by their employees.

Section 10(h) of the amended LHWCA authorized annual adjustments in compensation to beneficiaries in cases of permanent total disability or death occurring on or prior to October 27, 1972, with the Federal Government paying half the costs of the annual increase for compensation of those cases. A direct appropriation provides the necessary resources to meet the required annual increase in benefits for the Federal share of the costs for compensation and related benefits for the pre-1972 cases. Private insurance companies and/or employers pay the remaining 50 percent of the compensation.

DRUG METHODOLOGY

The Program Integrity, Prescription Management, and Fraud Prevention Branch continues to improve the safety and quality of care through controls for prescription drugs, while at the same time reducing medical costs and referring suspicious providers to the DOL Office of Inspector General. However, as new drugs enter the market and as questionable prescribing and billing practices evolve to circumvent controls, the FECA program will need new controls to address the changing environment. The program will perform ongoing program integrity efforts through data analytics, payment audits, and improper payment reporting. This effort directly supports the objective of improving access and use of data by providing high quality and timely information to inform evidence-based decision-making and ongoing initiatives supported by the Secretary to reduce improper payments.

In late 2021, the FECA Program implemented Pharmacy Benefit Management (PBM) services to improve the safety, quality, and cost-effectiveness of prescription care provided to claimants under the FECA. This cost-sharing service is for use by all federal Departments/Agencies, as the FECA is the exclusive remedy by which federal employees may obtain disability, medical, and/or survivor benefits for workplace injuries. This initiative, combined with its Program Integrity, Prescription Management, and Fraud Prevention activities, enables the FECA program to approve medically appropriate use of opioid medication and provide beneficiaries assistance in transitioning to alternative treatments as appropriate.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Office of Inspector General
Accounting and Performance Summary

Budget Authority (in Millions)		
Resource Summary	FY 2021 Enacted BA	FY 2021 Final Obligations
Drug Resources by Function Investigations	\$1.8	\$1.8
Drug Resources by Decision Unit Fighting Fraud Involving Opioids and Compounded Medications in the Federal Employees' Compensation Act	\$1.8	\$1.8
Drug Resources Personnel Summary Total FTEs (direct only)	9	9

MISSION

The Office of Inspector General (OIG) has dedicated significant investigative resources over the years to improve the FECA program because of its significant cost to taxpayers and impact on injured Federal workers and their dependents. In particular, the FECA program, along with other Federal government workers' compensation programs, has experienced a dramatic increase in the costs and abuse of compounded drug medications. Because of the high-dollar reimbursement for these drugs, compounded drug medication claims are highly susceptible to abuse and fraud. In addition, the OIG has initiated more criminal investigations relating to fraudulent activity involving opioids in the FECA program.

DRUG METHODOLOGY

The OIG will continue work with the OWCP to identify and investigate the most egregious health care providers who attempt to defraud the OWCP program and in particular those relating to the fraudulent activity involving opioids in the FECA program.

The OIG will also continue working with OWCP and other OIGs facing similar problems with compounded drug medications and opioids in an effort to identify best practices and programmatic changes that reduce susceptibility to fraud. In addition, the OIG's focus on using data analytics will increase the ability of the OIG to identify new and changing trends in criminal activity more quickly and end fraud sooner, thus saving taxpayer funds.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Employment and Training Administration

Resource Summary

	Budget Authority (in Millions)		
	FY 2021 Enacted	FY 2022 Request	FY 2023 Request
Drug Resources by Function			
Prevention	\$6.000	\$6.000	
Treatment and Recovery	\$18.296	TBD	
Total Drug Resources by Function	\$24.296	\$6.000	
Drug Resources by Decision Unit			
Job Corps	\$6.000	\$6.000	
<i>Trainee Employee Assistance Program</i>	5.300	5.300	
<i>Drug Testing Support</i>	.700	.700	
Training and Employment Services			
<i>National Health Emergency Grants*</i>	\$18.296	TBD	
Total Drug Resources by Decision Unit	\$24.296	\$6.000	
Drug Resources Personnel Summary			
Total FTEs (direct only)	---	---	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$2.0	\$2.1	
Drug Resources percentage	1.2%	0.3%	

*Please see below for more information on the National Health Emergency Grants.

MISSION

The Job Corps program is administered by the Department of Labor’s Employment and Training Administration (ETA). Established in 1964, the Job Corps program is a comprehensive, primarily residential, academic and career technical training program for economically disadvantaged youth, ages 16-24. There are currently Job Corps centers in all 50 states, Puerto Rico, and the District of Columbia providing services to at-risk youth to help them acquire high school diplomas and occupational credentials leading to a career. A component of this program that also teaches life skills is the Trainee Employment Assistance Program (TEAP), which includes components for drug prevention and drug education activities as related to job preparation for Job Corps program participants.

National Dislocated Worker Grants (DWGs), formerly known as National Emergency Grants, are discretionary grants awarded by the Secretary of Labor, under Section 170 of the Workforce

Innovation and Opportunity Act (WIOA). This funding is intended to temporarily expand capacity to serve dislocated workers, including military service members, and meet the increased demand for WIOA employment and training services, with a purpose to reemploy laid off workers and enhance their employability and earnings. Disaster DWGs provide funding to create temporary employment opportunities to assist with recovery efforts, when an area is declared eligible for public assistance by a Federal agency with authority or jurisdiction over Federal response to the emergency or disaster. The Department of Health and Human Services' declaration of opioid abuse as a national health emergency permits the Department of Labor to award Disaster Recovery Dislocated Worker grants. This appropriation may be used for these grants until HHS's health emergency declaration expires.

METHODOLOGY

Job Corps' (JC) expenditures for the TEAP program are for counselors to prepare JC program participants for employment, including: education on the dangers of alcohol, drug and tobacco use; abuse and prevention awareness activities; development of programs to prevent alcohol, drug and tobacco use and abuse among the student population; development and coordination of community resources to educate students on substance use and abuse; and identification of and provision of counseling services to students with substance abuse problems and arrangement of appropriate treatment. In addition, the budget includes 100 percent of the cost of drug testing each student. Each student is tested upon entry and for those that test positive on the initial test, they are re-tested within 45 days of arrival.¹ If they test negative on the 2nd test, they may continue in the program. If they test positive on the 2nd test, they are removed from the program.

The Department will award opioid crisis DWGs to applicants who meet the outlined grant requirements until HHS's health emergency declaration expires. Available funds for this grant could be depleted by other DWG funding needs, such as the pandemic and natural disasters.

The National Reserve operates on a program year, and funds appropriated to this account in FY 2021 are available for federal obligation from July 1, 2021 through September 30, 2022. The total amount of money that will be utilized for the opioid crisis DWGs will depend on the number of states that provide qualified applications and the availability of funds. Because Program Year 2021 just recently began, the Department cannot provide an accurate estimate of how much money will be awarded with the FY 2021 appropriation. However, the Department's table above includes the disaster recovery DWGs awarded by June 30, 2021. These were all funded from ETA's PY 2020 appropriation. In total, Congress appropriated \$270.9 million that can be used for the National Dislocated Worker Grants.

¹ P.L. 116-260 waived the drug testing requirements for students participating in Job Corps virtually. The drug testing requirements will resume for enrollees participating on-site at a Job Corps center or returning to on-site participation at a Job Corps center after participating in distance learning.

BUDGET SUMMARY

In FY 2023, the Employment and Training Administration estimates using \$6.0 million for drug

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

In Program Year 2018, the Department provided guidance for how states can apply for Disaster Recovery Dislocated Worker Grants (DWGs) to respond to the opioid crisis. Disaster Recovery DWGs will create temporary employment opportunities aimed at alleviating humanitarian and other needs created by the opioid crisis. Grantees may also use these funds to provide services to reintegrate into the workforce eligible participants affected by the crisis and train individuals to work in mental health treatment, addiction treatment, and pain management. Successful opioid Disaster Recovery DWG projects will accomplish the following: facilitate community partnerships that are central to dealing with this complex health crisis; provide training that builds the skilled workforce in professions that could impact the causes and treatment of the opioid crisis; ensure timely delivery of appropriate, necessary career, training, and support activities; and create temporary disaster-relief employment that addresses the unique impacts of the opioid crisis in affected communities.

Since the guidance was issued, the Department has considered and awarded opioid crisis Disaster Recovery DWGs to applicants who met the Department's criteria and will continue to do so in future program years until HHS's health emergency declaration expires. The funds that can be used for this purpose are appropriated to the Dislocated Worker National Reserve budget activity within ETA's Training and Employment Services. In total, during Program Year 2019,² ETA awarded \$32.3 million to ten different states and the Cherokee nation. This

² Program Year 2020 will end on September 30, 2021. To date, during PY 2020, ETA has awarded \$18.296 million in opioid-related DWGs.

includes grants awarded as Disaster Recovery DWGs, as well as competitive grants, as required by the SUPPORT for Patients and Communities Act (P.L. 115-271).

Both sets of grants enable eligible applicants to serve or retrain workers in communities impacted by the health and economic effects of widespread opioid use, addiction, and overdose. Recipients could use the funds toward worker upskilling and reskilling needed to increase availability of addiction treatment services, pain management and therapy services, and mental health treatment. These grants required comprehensive partnerships across the spectrum of health, justice, and community organizations, among others, to align and coordinate the form and delivery of employment and related services that best meet the needs of impacted individuals and offer the best opportunities for reemployment.

PERFORMANCE

Job Corps

The Job Corps program performance is outcome oriented, primarily focused on the primary Workforce Innovation and Opportunity Act (WIOA) performance measures and other agency goals. These goals measure students' credential attainment and post-program placement in jobs, advanced training, or the military. They do not include specific measures related to drug education program success. The table below includes Job Corps performance measures, targets and achievements related to drug prevention, education, and employability for the most recent program year for which data are available.

Job Corps		
Selected Measures of Performance	PY 2019 Target	PY 2019 Achieved
» Percent of students tested for drugs upon entry	100%	100%

Job Corps operates on a Program Year (PY) schedule that runs from July 1 through June 30. Thus, funds appropriated in Fiscal Year (FY) 2021 are available from July 1, 2021 – June 30, 2022. In PY 2021, Job Corps will continue providing training to both students and staff on drug-related requirements in the workplace, including employer drug testing policies and the effects of drug and alcohol abuse on employability. Job Corps continues to include this training as part of career readiness training for all students. Due to the pandemic, Job Corps operated in a predominantly virtual environment. Contractors are currently in the process of increasing on-board strength at Job Corps centers.

Job Corps continues to support its drug prevention and education activities throughout the program. These activities include the numerous group presentations on drug prevention conducted at all centers, and individual interactions with students who initially tested positive for drug use upon entry. These activities are repeated across all Job Corps centers as a critical component of preparing students for 21st century jobs.

Job Corps also leverages its drug awareness education training for center staff through the expanded use of information technology. The program provides webinars and training sessions to assist staff in identifying the physical symptoms and signs of drug abuse, recognizing drug paraphernalia, becoming familiar with privacy and confidentiality rules for relevant records, and with the medical, social and oral health implications of substance use disorder.

In addition, OJC participates in national drug prevention and treatment campaigns such as Red Ribbon Week and Drug Abuse Resistance Education (DARE) activities, and utilizes anti-drug guest speakers at Job Corps centers nationwide. Job Corps also developed and implemented a system-wide program with accompanying curriculum to promote healthy lifestyle practices for students that included components on the avoidance of drug and alcohol abuse.

Disaster Recovery Dislocated Worker Grants (DWGs)

Successful opioid crisis Disaster Recovery DWG projects will facilitate community partnerships that are central to dealing with this complex public health crisis; provide training that builds the skilled workforce in professions that could impact the causes and treatment of the opioid crisis; ensure the timely delivery of appropriate, necessary career, training, and support activities to dislocated workers, individuals laid off due to the opioid crisis, long-term unemployed individuals, and self-employed individuals who are unemployed or significantly underemployed as a result of the opioid public health emergency; and create temporary disaster-relief employment that addresses the unique impacts of the opioid crisis in affected communities.

National Reserve		
Selected Measures of Performance	PY 2019 Target	PY 2019 Achieved
» Number of people served	TBD ³	4,292
» Employment rate, second quarter after exit	Base	59.7% ⁴
» Employment rate, fourth quarter after exit	Base	N/A ⁵

The National Reserve runs on a program year, with FY 2021 money available for federal obligation from July 1, 2021 through September 30, 2022. Outcome measurements are calculated after participants exit from the program, and by definition, are unable to be reported until the conclusion of the services.

³ Target for the entire DWG program is 48,000 participants to be served in a program year. What grantees achieve would be based on the size and scope of the grants.

⁴ ETA does not have a completely representative cohort for a full program year of performance. Some participants exited after the second quarter following the conclusion of the program year.

⁵ PY 2019 Employment Rate 4th Quarter after Exit results are not available for Opioid Crisis DWGs. The PY 2019 reporting period for this measure (participants with an exit date from 1/1/2018 to 12/31/2018) predates the earliest reported records for these grants. As such, there are no participants in the appropriate cohort for this measure in PY 2019. Employment Rate 4th Quarter after Exit results are expected for PY 2020.

DEPARTMENT OF LABOR
Office of Workers' Compensation Programs

Resource Summary

	Budget Authority (in Millions)		
	FY 2021 Enacted	FY 2022 Request	FY 2023 Request
Drug Resources by Function			
Prevention	\$7.769	\$7.769	
Total Drug Resources by Function	\$7.769	\$7.769	
Drug Resources by Decision Unit			
Prescription Management Unit	\$2.615	\$2.615	
Pharmacy Benefit Management Services	\$0.974	\$0.974	
Federal Employees Compensation Act and Opioid Control Unit	\$4.180	\$4.180	
Total Drug Resources by Decision Unit	\$7.769	\$7.769	
Drug Resources Personnel Summary			
Total FTEs (direct only)	68	68	
Drug Resources as a Percent of Budget			
Total Special Benefits Budget (in Billions)	\$0.0748	\$0.0803	
Drug Resources Percentage	10.4%	9.7%	

MISSION

The Special Benefits program is administered by the Department of Labor's Office of Workers' Compensation Programs (OWCP). The Special Benefits fund, administered by OWCP, comprises two accounts representing obligations for benefits under the Federal Employees' Compensation Act (FECA), as amended, with extensions, and the Longshore and Harbor Workers' Compensation Act (LHWCA), as amended, with extensions. The requested funding provides resources necessary to meet required payments for compensation, medical costs, vocational rehabilitation, and other benefits made to eligible claimants or their survivors as mandated by each of the Acts. Under extensions of FECA, the program pays benefits to certain groups, such as War Hazards Compensation Act claimants, non-Federal law enforcement officers, Job Corps enrollees, and certain Federally supported volunteers.

Spending authority is also provided for FECA program administration out of annual "Fair Share" collections. Fair Share assessments are mandated under Section 8147(c) of the FECA for 23 nonappropriated agencies, including the United States Postal Service, with each paying a pro rata share of OWCP's cost to administer FECA claims filed by their employees.

Section 10(h) of the amended LHWCA authorized annual adjustments in compensation to beneficiaries in cases of permanent total disability or death occurring on or prior to October 27, 1972, with the Federal Government paying half the costs of the annual increase for compensation of those cases. A direct appropriation provides the necessary resources to meet

the required annual increase in benefits for the Federal share of the costs for compensation and related benefits for the pre-1972 cases. Private insurance companies and/or employers pay the remaining 50 percent of the compensation.

METHODOLOGY

The Program Integrity, Prescription Management, and Fraud Prevention Branch continues to improve the safety and quality of care through controls for prescription drugs, while at the same time reducing medical costs and referring suspicious providers to the DOL Office of Inspector General. However, as new drugs enter the market and as questionable prescribing and billing practices evolve to circumvent controls, the FECA program will need new controls to address the changing environment. The program will perform ongoing program integrity efforts through data analytics, payment audits, and improper payment reporting which supports the objective of improving access and use of data by providing high quality and timely information to inform evidence-based decision-making and ongoing initiatives supported by the Secretary to reduce improper payments.

Additionally, in late FY 2021, the FECA Program will implement its Pharmacy Benefit Management (PBM) services to improve the safety, quality, and cost-effectiveness of prescription care provided to claimants under the FECA. The FECA Program will implement this cost-sharing service for use by all federal Departments/Agencies, as the FECA is the exclusive remedy by which federal employees may obtain disability, medical, and/or survivor benefits for workplace injuries. This initiative, combined with its Program Integrity, Prescription Management and Fraud Prevention activities, enables the FECA Program to approve medically appropriate use of opioid medication and provide beneficiaries assistance in transitioning to alternative treatments as appropriate.

BUDGET SUMMARY

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Utilizing funding for these initiatives, OWCP will continue to work with medical providers and injured workers to provide opioid treatment where needed, reduce the opioid risk level, and

assist in securing the benefits needed for pain management. The FECA program continues its efforts to reduce the potential for opioid misuse and addiction among injured federal workers. The program used data to implement new policies and institute targeted controls and tailored treatment that resulted in a series of successes when comparing July 2021 with January 2017:

- 53 percent decline in overall opioid use
- 37 percent decline in new opioid prescriptions
- 69 percent decline in new opioid prescriptions lasting more than 30 days
- 85 percent drop in claimants with an Morphine Equivalent Dose (MED) of 500 or more
- 63 percent drop in users with an MED of 90 or more

As of the third quarter of FY 2021, the Prescription Management Unit processed over 1,400 letters of medical necessity for new opioid users. In FY 2023, the FECA program will continue to work with medical providers and injured workers to provide opioid treatment where needed, reduce the opioid risk level, and assist in securing the benefits needed for pain management.

PERFORMANCE

The Special Benefits program performance will monitor and manage pharmaceutical costs using a prior authorization requirement for new recipients of opioid prescriptions.

Special Benefits		
Selected Measures of Performance	FY 2021 Target	FY 2021 YTD Achieved
» Number of Letters of Medical Necessity processed for opioid medications within 3 days	93%	93%

Office of Inspector General

Resource Summary

	Budget Authority (in Millions)		
	FY 2021 Enacted	FY 2022 Request	FY 2023 Request
Drug Resources by Function			
Investigations	\$1.8	\$1.8	
Total Drug Resources by Function	\$1.8	\$1.8	
Drug Resources by Decision Unit			
Fighting Fraud Involving Opioids and Compounded Medications in the Federal Employees' Compensation Act (FECA) Program	\$1.8	\$1.8	
Total Drug Resources by Decision Unit	\$1.8	\$1.8	
Drug Resources Personnel Summary			
Total FTEs (direct only)	9	9	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$0.0911	\$0.0957	
Drug Resources Percentage	2.0%	1.9%	

MISSION

The Office of Inspector General (OIG) has dedicated significant investigative resources over the years to improve The Federal Employees' Compensation Act (FECA) program because of its significant cost to taxpayers and impact on injured Federal workers and their dependents. In particular, the FECA program, along with other Federal government workers' compensation programs, has experienced a dramatic increase in the costs and abuse of compounded drug medications. Because of the high-dollar reimbursement for these drugs, compounded drug medication claims are highly susceptible to abuse and fraud. In addition, the OIG has initiated more criminal investigations relating to fraudulent activity involving opioids in the FECA program.

METHODOLOGY

For FY 2023, the OIG will continue work with the Office of Workers' Compensation Programs (OWCP) to identify and investigate the most egregious health care providers who attempt to defraud the OWCP program and in particular those relating to the fraudulent activity involving opioids in the FECA program.

The OIG will also continue working with OWCP and other OIGs facing similar problems with compounded drug medications and opioids in an effort to identify best practices and programmatic changes that reduce susceptibility to fraud. In addition, the OIG's focus on using data analytics will increase the ability of the OIG to identify new and changing trends in criminal activity more quickly and end fraud sooner, thus saving taxpayer funds.

BUDGET SUMMARY

[REDACTED]

[REDACTED]

[REDACTED]

The OIG anticipates further increases in criminal investigations in the area of opioid fraud and abuse resulting from increased OWCP referrals. The OIG requires additional FY 2023 funding in order to keep up with the referrals, ensuring that allegations against this important program are properly and timely investigated. Without this funding, the OIG will not be able to address these increased referrals.

PERFORMANCE

Office of Inspector General			
Selected Measures of Performance	FY 2021 Target	FY 2022 Target	FY 2023 Target
» Number of Closed FECA Investigative Matters	78	50*	40*

*Target is being reduced because of the significant influx of Unemployment Insurance Investigations.

Tab L

**U.S. Department of State
Bureau of International Narcotics and Law Enforcement Affairs**

**Accounting and Authentication of FY 2021
Drug Control Funds and Related Performance Report**

Reference: Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, released September 9, 2021.

SECTION 6. Budget Formulation Compliance Report

Section 6(a). Summer Budget Formulation Information

Section 6(a)(1). Summer Drug Budget Transmittal

A copy of the FY 2023 Summer Drug Budget Formulation transmittal letter submitted to ONDCP under ONDCP Circular: Budget Formulation 9(a)(1) is attached at Tab 3.

Section 6(a)(2). Summer Drug Budget Resource Summary Table

Below are the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation 9(a)(2).

Budget Authority (in Millions)			FY 2023 Bureau Resource Request
	FY 2021 Estimate*	FY 2022 Request	
Drug Resources by Function			
International	\$425.415	\$406.812	
Total Drug Resources by Function	\$425.415	\$406.812	
Drug Resources by Decision Unit			
International Narcotics Control and Law Enforcement	\$425.415	\$406.812	
Total Drug Resources by Decision Unit	\$425.415	\$406.812	
Drug Resources Personnel Summary			
Total FTEs	142	118	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions) *	\$37.1	\$41.2	

Section 6(b). Assertions

Section 6(b)(1). Timeliness of Summer Budget Submission

I assert that the Bureau of International Narcotics and Law Enforcement Affairs (INL) submitted the Summer Drug Budget submission to ONDCP on June 24, 2021 under the attached cover letter provided in response to Section 6(a)(1) in response to ONDCP Circular: Budget Formulation. Section 9(a)(1) was provided to ONDCP at the same time as that budget request was submitted to INL superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

Section 6(b)(2). Funding Levels Represent Bureau-Level Request

I assert that the International Narcotics Control and Law Enforcement (INCLE) funding request submitted to ONDCP provided in section 6(a)(2) of this circular represents the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

SECTION 7. Detailed Accounting Report

The Department is providing a Detailed Accounting Report on the drug control program obligations of the INL bureau in accordance with Section 7(a) of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews. The Detailed Accounting Report consists of this report which includes (a) a table highlighting prior year drug control obligations data, and (b) a narrative section making assertions regarding the prior year obligations data.

Section 7(a). Drug Control Funding Obligations

Section 7(a)(1). Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

The following table presents the obligations of the drug control budgetary resources appropriated and available in FY 2021 by Drug Control Function and Budget Decision Unit.

INL	
Drug Control Obligations	
	<u>FY 2021 Actual</u>
Drug Resources by Drug Control Function *	
International	\$519,690,554
Total	\$519,690,554
Drug Resources by Decision Unit	
INCLE	\$519,690,554
Total	\$519,690,554
Information	

Total INCLE Budget for Identified Appropriations

\$2,889,893,702

* This figure includes the total of all FY 2021 obligations for all fiscal years.

Section 7(a)(2). Drug Methodology

INL's mission is to minimize the impact of international crime and illegal drugs on the United States and its citizens through providing effective foreign assistance and through fostering global cooperation.

To help achieve this mission, INL targets drugs at the source and in transit. Bureau goals include reducing drug cultivation through enforcement, eradication, and alternative development programs; strengthening the capacity of law enforcement institutions to investigate and prosecute major drug trafficking organizations and to block and seize their assets; improving the capacity of the host government's law enforcement and security forces to attack narcotics production and trafficking centers; and fostering regional and global cooperation against drug trafficking. INL functions include foreign policy formulation and coordination, program management, and diplomatic initiatives.

The Department's accounting system tracks obligations through a combination of the appropriation point limitation, function code, allotment code, and project code. This arrangement separates all the drug control obligations being reported from other funds managed by INL. The accounting reports reflect net negative amounts when obligations and their associated expenditures and de-obligations occur in different fiscal years. Thus, all expenditures and de-obligations that occurred in the current year (i.e., FY 2021 for this report) that are associated with original obligations that occurred in a prior year (e.g., FY 2020), would result in a negative obligation.

a.) Obligations by Budget Decision Unit -

All obligations presented in the INL table of drug control obligations are 100 percent drug-related.

b.) Obligations by Drug Control Function -

All obligations presented in the INL table of drug control obligations are 100 percent drug-related.

Section 7(a)(3). Methodology Modifications

There are no modifications to INL's methodology from previous years.

Section 7(a)(4). Material Weaknesses or Other Findings

The Department received an unmodified ("clean") audit opinion of its FY 2021 Financial Statements, with no material weaknesses in internal controls over financial reporting identified by the Independent Auditor. The Department maintains a robust system of internal controls that are validated by senior leadership. For FY 2021, no material weaknesses in internal controls

were identified by senior leadership and no material weaknesses in internal controls over financial reporting were identified by the Senior Assessment Team or the Management Control Steering Committee. As a result, the Secretary was able to provide reasonable assurance on the effectiveness of the Department's overall internal controls and the internal controls over financial reporting in accordance with the Federal Managers' Financial Integrity Act.

Section 7(a)(5). Reprogrammings or Transfers

For this reporting period, INL and the Department processed a total of eight actions that resulted in a net decrease of drug-related budgetary resources during FY 2021 by a total of \$57,296,568, comprising an increase of \$5,696,000 and a decrease of \$62,992,568 in FY 2016 and FY 2020 INCLE and INCLE-Overseas Contingency Operations (OCO) funds. This net decrease is the result of (1) a Congressionally mandated rescission of previously appropriated funds as required in section 7071 of the FY 2021 Department of State, Foreign Operations, and Related Programs Appropriations Act (Div. K, P.L. 116-260) (FY 2021 SFOAA); and (2) reprogramming actions between the drug-related program areas, i.e., Counternarcotics (1.4, PS.3) and the non-drug - related program areas, i.e., Transnational Threats and Crime (PS.4), Citizen Security and Law Enforcement (PS.9), and Rule of Law (DR.1).

Per guidance (21 U.S.C. 1703 (c)(4)(A)), the reprogramming instances above \$5,000,000 or 10 percent of the program requirements that need to be approved by ONDCP are delineated in the table below. The “Source Program” and “Recipient Program” columns show the country or regional operating unit affected by the reprogramming and the “Program Area” and “Amount” columns reflect whether that country gained (“to PS.3”) or lost (“from PS.3”) counternarcotics funds. Instances where funds were subject to the Congressionally mandated rescission are also noted.

Fiscal Year (FY)	Account	Source Program	Recipient Program	Program Area	Net Change to Drug Funds
FY 2020	INCLE	State Western Hemisphere Regional – Central America Regional Security Initiative (CARSI) CNs 21-110, 21-112, 21-113, 21-182	State Western Hemisphere Regional (CARSI)	To PS.3	\$4,696,000
FY 2020	INCLE	Counter Chinese Influence Fund (CCIF) CN 21-229	Burma	To PS.3	\$1,000,000
FY 2020	INCLE	Afghanistan CN 21-270	Colombia, State Central Asia Regional	From PS.3 to PS.3, PS.4, PS.9, DR.1	(\$19,081,200)

FY 2020	INCLE	Critical Flight Safety Program (CFSP) – Congressionally Mandated Rescission	N/A	From PS.3	(\$12,500,000)
FY 2016	INCLE	Mexico – Congressionally Mandated Rescission	N/A	From PS.3	(\$5,330,000)
FY 2016	INCLE-OCO	Pakistan CN 21-043	Syria	From PS.3 to PS.9	(\$4,000,000)
FY 2016	INCLE-OCO	Afghanistan CN 21-267	State Africa Regional	From PS.3 to PS.4, PS.9, DR.1	(\$750,000)
FY 2016	INCLE-OCO	Afghanistan CN 21-270	Democratic Republic of Congo, State Africa Regional (East Africa Transnational Organized Crime)	From 1.4 to PS.4, PS.9, DR.1	(\$21,331,368)
Net Counternarcotics Change					(\$57,296,568)

Section 7(a)(6). Other Disclosures

As indicated above, per section 7071 of the FY 2021 SFOAA, Congress mandated the rescission of \$50,411,000 in unobligated balances made available under the INCLE heading from prior appropriations acts. The Department rescinded unobligated balances pursuant to this provision, including \$5,330,000 in FY 2016 INCLE Mexico and \$12,500,000 in FY 2020 INCLE CFSP counternarcotics funds. This requirement involved difficult tradeoffs, and the rescissions were targeted in a way to minimize programmatic impact.

Section 7(b). Assertions

Section 7(b)(1). Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the bureau's accounting system of record for these Budget Decision Units.

Section 7(b)(2). Drug Methodology

I assert that the drug methodology used to calculate obligations of prior year budgetary resources is reasonable and accurate, that the data presented is complete and reliable, and that the financial

systems supporting the drug methodology yield data that fairly present, in all material respects, aggregate obligations presented in the Table of Prior Year Obligations.

Section 7(b)(3). Application of Drug Methodology

I assert that the drug methodology disclosed in Section 7(a)(2) was the actual methodology used to generate the table required by Section 7(a)(1), that the calculations are sufficiently documented to independently reproduce these data, and the calculation provides a means to ensure consistency of data between reporting years.

Section 7(b)(4). Material Weaknesses or Other Findings

I assert that there are no material weaknesses or other findings by independent sources, or other known weaknesses that may affect the presentation of prior year drug-related obligations as required by Section 7(a)(4). There is therefore nothing to disclose.

Section 7(b)(5). Methodology Modifications

I assert that there were no modifications made to the methodology for reporting drug control resources from the previous year's reporting and there is therefore nothing to disclose.

Section 7(b)(6). Reprogrammings or Transfers

I assert that the data presented are associated with obligations against a financial plan that was approved by ONDCP for all drug-related resources. Additionally, I assert, that in accordance with ONDCP's policy to approve counternarcotics-related reprogramming actions that individually or in aggregate exceed \$5,000,000 or more than 10 percent of the program (21 U.S.C. 1703 (c)(4)(A)), INL has informed ONDCP of these required changes.

Section 7(b)(7). Fund Control Notices

I assert that the data presented are associated with obligations against a financial plan that was approved by ONDCP. ONDCP did not issue any Fund Control Notices to the Department in FY 2021.

Section 8. Inspector General Authentication

I assert that INL has not yet reached the three-year requirement to have OIG conduct an attestation review of accounting reports consistent with the *Statements for Standards of Attestation Engagements*. The next time this requirement must be satisfied is for the FY 2023 Compliance Report. The last time this requirement was satisfied was for the FY 2020 Compliance Report.

Equity

In observance of Executive Order 13985 issued in January 2021, the Department's Office of Foreign Assistance (F) is in the process of deploying the Racial Equity Key Issue on Advancing

Racial Equity and Support to Underserved Communities. All Department bureaus and posts receiving foreign assistance funds will be required to submit Operational Plans that analyze foreign assistance baseline equity data regularly. Over time, the Racial Equity Key Issue definitions will be further honed, establishing critical trend data. In addition to Operational Plan reporting, there will be a corresponding requirement for performance reporting on this Racial Equity Key Issue. Department bureaus and posts will be expected to craft performance narratives in annual Performance Progress Reports.

Within INL, the Bureau recognizes the importance of addressing systemic inequality in criminal justice systems, and the importance of promoting equity and inclusion, including for members of marginalized communities. Earlier this summer, INL issued a front-channel cable to all U.S. Embassies overseas with INL funding to emphasize the Bureau's commitment to recognizing bias and discrimination and countering bias-motivated violence within our host country counterparts and in the communities they serve, and providing tools and resources to help INL overseas sections integrate these priorities in their programs.

Building on this policy effort, in FY 2023,

[REDACTED]



December 14, 2021

Regina LaBelle
Acting Director
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Ms. LaBelle:

In accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the United States Agency for International Development (USAID) is submitting its Budget Formulation Compliance package.

In accordance with Section 6 on Budget Formulation Compliance, I certify that USAID's FY 2023 Summer Budget Submission was submitted to ONDCP on a timely basis and that the funding levels therein represent USAID's request as provided to OMB on July 14, 2021.

Please reach out if you have any questions.

Sincerely,

Nikole Burroughs

Nikole Burroughs


Interim Budget Lead, Office of Budget and
Resource Management
U.S. Agency for International Development



Regina LaBelle
Acting Director
Office of National Drug Control Policy
750 17th Street, N.W.
Washington, DC 20503

The U.S. Agency for International Development (USAID) submits the attached FY 2023 ONDCP Budget and Performance Summary, which represents the Agency's FY 2023 foreign assistance resource request to address counter-narcotics efforts around the world. USAID advances U.S. foreign policy objectives by supporting economic growth, agriculture, trade, health, democracy, conflict prevention, and providing humanitarian assistance. USAID's programs support the U.S. Government's counter-narcotics objectives by helping countries develop economically viable alternatives to coca cultivation. Specifically, USAID implements alternative livelihoods programs that focus on licit job creation, improve commercial agricultural production, and market linkages in drug production-prone areas, facilitate access to financial services for small businesses and farmer associations, and offer farmers incentives to discontinue planting poppy and other illicit crops. USAID also works to facilitate private sector investment, improve access to digital and financial services, improve basic public services, improve transportation systems, develop agricultural processing facilities and storage networks, and expand irrigation in targeted areas to create and grow a viable agribusiness industry. These works help to catalyze economic growth and job creation in post-eradication zones while also providing support to incentivizes and facilitates participation in the licit economy rather than in illicit drug production, with the objective of reducing the cultivation and production of illicit drugs that contribute to crime and instability in key U.S. partner countries.





Key performance indicators that USAID Missions and implementing partners in Colombia and Peru have tracked over several years include: hectares of alternative/licit crops under cultivation, dollar value of sales generated by supported agricultural producers, and number of benefiting individuals/households. USAID Missions' annual performance reports have noted sustained performance in recent fiscal years, while also highlighting contextual and other factors limiting expansion of these results. The most recent annual performance report covering FY 2020 results, compared to targets for the same time period, are included in the attached Budget and Performance Summary. In keeping with the Department of State and USAID's annual performance reporting schedule, in December 2021, Colombia and Peru will consolidate and report on FY 2021 results data and establish FY 2022 targets. These data, along with completed and ongoing independent evaluations of USAID's alternative development programs, will be used to assess progress and make adjustments as needed.

We are committed to plan and execute an efficient and effective drug control budget within a constrained budget environment. We look forward to working with you on USAID's FY 2023 Drug Control budget request and please reach out if you have any questions.

Sincerely,

Tricia Schmitt
Director, Budget and Resource Management
U.S. Agency for International Development



USAID
FROM THE AMERICAN PEOPLE

Chief Financial Officer

January 28, 2022

Dr. Rahul Gupta, Director
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Dr. Gupta:

In accordance with the Office of National Drug Control Policy Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the United States Agency for International Development (USAID) is submitting its Accounting and Authentication of FY 2021 Drug Control Funds. A memorandum from the USAID Office of Inspector General is also enclosed for the Inspector General Authentication.

In accordance with ONDCP Circular dated September 9, 2021, Section 7 financial disclosures and assertions in the attached report, to the best of my knowledge all the information presented for the USAID is true and correct and I concur with all assertions associated with USAID in Section 7.

If you would like to address any questions associated with our submission, please call me on 202-916-2679.

Sincerely,

**Reginald W.
Mitchell**
Reginald W. Mitchell

Digitally signed by
Reginald W. Mitchell
Date: 2022.01.27
16:32:33 -05'00'

Enclosures:

- 1) Accounting and Authentication of Drug Control Funds
- 2) Memorandum from the USAID Office of Inspector General

U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, DC 20523
www.usaid.gov

**U.S. Agency for International Development
Accounting and Authentication of
Drug Control Funds for 2021**

Reference: ONDCP Circular: National Drug Control Program Agency Compliance Reviews (September 9, 2021)

SECTION 7 REPORTING - Detailed Accounting Report

7. a. Drug Control Funding Obligations

7. a. (1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

The following table presents the obligations of the drug control budgetary resources appropriated and available in FY 2021 by Decision Unit and by Drug Control Function.

FY 2021 U.S. Agency for International Development
Drug Control Obligations

		\$ In Millions FY 2021 <u>Actual</u>
A. Drug Resources by Decision Unit		
Alternative Development and Alternative Livelihoods-Andean Region		48.03
Alternative Development and Alternative Livelihoods-Afghanistan		<u>0.00</u>
	Total	<u><u>48.03</u></u>
B. Drug Resources by Drug Control Function		
International		<u>48.03</u>
	Total	<u><u>48.03</u></u>
Total Agency Budget**		25,062
Drug Related Percentage***		0.19%

** USAID 2021 Agency-wide Appropriations per 2021 Statement of Budgetary Resources

*** Total Drug Control Obligations divided by Total Agency Budget

7. a. (2) Drug Methodology

All obligations provided in Table were made from funds available during FY 2021, including any non-expired (multi-year) appropriations and are classified in USAID's accounting system of record in program areas "A04 – Counter-Narcotics" and "PS.3 - Counter-Narcotics." The Agency's accounting system tracks the Drug Control Obligations in the program elements, "PS.3.2- Alternative Development and Alternative Livelihood" and "A016- Alternative Development and Alternative Livelihood," under program area, "Counter-Narcotics." At the request of ONDCP, we also report herein that during FY 2021 USAID did not make any obligations from funds appropriated in FY 2021.

7. a. (3) Methodology Modifications

The drug methodology for 2021 has not been modified from the previous year, 2020.

7. a. (4) Material Weaknesses or Other Findings

In the FY 2021 financial audit report, USAID's independent auditors identified no material weaknesses or significant deficiencies in USAID's internal control over financial reporting. USAID made an unmodified Statement of Assurance under the Federal Managers' Financial Integrity Act (FMFIA) and Federal Financial Management Improvement Act (FFMIA) on the Agency's internal controls and conformance with the requirements for a federal financial management system.

7. a. (5) Reprogrammings or Transfers

For Colombia, there was a Bilateral Budget Realignment Action in the amount of \$1,000,000 in FY 2019 ESF from PS.3.2 Alternative Development and Alternative Livelihoods to PS.6.1: Conflict Early Warning, Mitigation and Peace Building in order to support technical assistance for COVID-19 vaccine distribution.

7. a. (6) Other Disclosures

There is no other disclosure necessary to clarify any issues regarding the data reported under this circular.

7. b. Assertions

7. b. (1) Obligations by Budget Decision Unit

The Obligations reported by budget decision unit are the actual obligations from USAID's accounting system of record for the stated Budget Decision Units.

7. b. (2) Drug Methodology

The drug methodology used to calculate obligations of prior year budgetary resources by function and by budget decision unit is reasonable and accurate based on criterion (b) Financial Systems. The financial systems at USAID that support the drug methodology yield data that fairly presents, in all material respects, aggregate obligations from which the drug-related obligation amounts were derived.

7. b. (3) Application of Drug Methodology

The drug methodology disclosed in section 7 a. (2) Drug Methodology, above, was the actual methodology used to generate Table above.

7. b. (4) Material Weaknesses or Other Findings

In the FY 2021 financial audit report, USAID's independent auditors identified no material weaknesses or significant deficiencies in USAID's internal control over financial reporting.

7. b. (5) Methodology Modifications

The drug methodology for 2021 has not been modified from the previous year, 2020.

7. b. (6) Reprogrammings or Transfers

The data presented in Table above are associated with 2021 obligations against a financial plan. Also, as shown above in section **6. a. (5) Reprogrammings or Transfers**, the individual or in aggregate reprogramming/transfer amounts for the fiscal year do not exceed \$5 million or 10 percent of a specific program or account that would require ONDCP's approval.

The financial plans against which the obligations in Table, above, are associated are USAID's Colombia FY2020 Operational Plan and Peru FY2020 Operational Plan. USAID Drug Related activities in that plan are identified as part of Strategic Objective 1.4.2 (Alternative Development and Alternative Livelihoods). Funds in Program Area

1.4.2 are posted in USAID's accounting system at the Activity level using Program Elements A016 and PS.3.2 (Alternative Development and Alternative Livelihoods).

7. b. (7) Fund Control Notices

Not applicable. ONDCP did not issue any Fund Control Notices to USAID in FY 2021.

8. Inspector General Authentication

See Memorandum from the USAID Office of Inspector General, attached.



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

DATE: February 1, 2022

TO: USAID, Chief Financial Officer, Reginald W. Mitchell

FROM: Deputy Assistant Inspector General for Audit, Alvin Brown /s/

SUBJECT: Review of USAID's Reporting on Its Drug Control Program Budget and Accounting for Fiscal Year 2021 (0-000-22-009-X)

We have reviewed the USAID management assertions in the accompanying "Budget Formulation Compliance Report" and "Detailed Accounting Report" for fiscal year 2021. USAID's management is responsible for the preparation of the reports and related assertions in accordance with the Office of National Drug Control Policy (ONDCP) circular, "National Drug Control Program Agency Compliance Reviews," September 9, 2021. Our responsibility is to express a conclusion on the reliability of each assertion made in USAID's reports based on our review.

Our review was conducted in accordance with generally accepted government auditing standards for attestation review engagements. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to USAID management assertions in its "Budget Formulation Compliance Report" and "Detailed Accounting Report" in order for them to be fairly stated. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether management assertions are fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to USAID's reported management assertions for fiscal year 2021 in order for them to be fairly stated.

Although this memorandum is an unrestricted public document, it is for the information and use of the ONDCP in meeting its statutory reporting obligation to Congress. This memorandum is not suitable for any other purpose.

Thank you for the cooperation and participation of USAID personnel in completing the review.

DEPARTMENT OF STATE
United States Agency for International Development

Resource Summary

Budget Authority (in Thousands)			
	FY 2021 Estimate**	FY 2022 Request	FY 2023 USAID Request
Drug Resources by Function			
International	\$53.533	\$55.230	
Total Drug Resources by Function	\$53.533	\$55.230	
Drug Resources by Decision Unit			
Development Assistance	\$10.000	\$23.735	
Economic Support Fund	\$43.533	\$31.495	
Total Drug Resources by Decision Unit	\$53.533	\$55.230	
Drug Resources Personnel Summary			
Total FTEs (direct only)	14	14	
Andean Region (Total)			
Peru	4	4	
Colombia	10	10	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)*	\$24.9	\$27.7	
USAID Drug Resources Percentage	0.2%	0.2%	

*Total Agency Budget is the USAID-managed foreign assistance accounts, including DA, ESF, among others.

** The FY 2021 level is an estimate based on FY 2020 levels that does not reflect decisions on funding priorities. Allocations are not yet available for the enacted FY 2021 appropriation.

Program Summary

MISSION

The United States Agency for International Development (USAID) is the agency responsible for implementing most of the economic and development foreign assistance provided by the U.S. Government. It receives overall foreign policy guidance from the U.S. Secretary of State. USAID advances U.S. foreign policy objectives by supporting economic growth, agriculture, trade, health, democracy, conflict prevention, and providing humanitarian assistance. USAID's Alternative Development programs support U.S. counter-narcotics objectives by helping countries develop economically viable alternatives to narcotics production. Specifically, USAID implements alternative livelihood programs that focus on licit job creation, improving commercial agricultural production and market linkages in drug production-prone areas and offering farmers incentives to discontinue planting poppy and other illicit crops. USAID also

works to facilitate private sector investment, improve access to digital and financial services, improve basic public services, improve transportation systems, develop agricultural processing facilities and storage networks, and expand irrigation in targeted areas to create and grow a viable agribusiness industry. These works help to catalyze economic growth and job creation in post-eradication zones while also providing support to incentivizes and facilitates participation in the licit economy rather than in illicit drug production, with the objective of reducing the cultivation and production of illicit drugs that contribute to crime and instability in key U.S. partner countries.

METHODOLOGY

For programs related to counter-narcotics, USAID receives appropriated foreign assistance funds from the Economic Support Fund and Development Assistance accounts. In preparing the annual foreign assistance budget request, the USAID and the Department of State allocate all funding according to the Foreign Assistance Standardized Program Structure, which contains a Program Area for counter-narcotics. All USAID-managed counter-narcotics programming is for alternative development and alternative livelihoods programs, which support economic development that is not reliant on the cultivation, production, and sale of illicit drugs.

BUDGET SUMMARY

The FY 2023 Request for drug control efforts [REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]
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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



PERFORMANCE

Information regarding the performance of the drug control efforts of USAID is based on data reported in each U.S. embassy’s 2020 Performance Plan and Report, as entered into the Foreign Affairs Coordination and Tracking System and other program information. The table and accompanying text represent highlights of their achievements during FY 2020.

United States Agency for International Development		
Selected Measures of Performance***	FY 2020 Target	FY 2020 Achieved
» Number of rural households benefiting directly from USG interventions (Colombia)	19,995	27,973
Value of smallholder incremental sales of licit agricultural products with USG assistance (Colombia)	\$7,962,155	\$28,978,810
Number of additional hectares of licit crops under improved technologies or management practices as a result of USG assistance (Colombia)	20,810	122,841
» Hectares of alternative crops targeted by USG programs under cultivation (Peru)	85,000	83,815
Total sales of licit farm and non-farm products in USG assisted areas (Peru)	\$70,000,000	\$83,342,540
Percentage of female participants in USG-assisted programs designed to increase productive economic resources (Peru)	40	49
» Number of families benefiting from alternative development activities in the Andean region (Peru)	53,000	61,792

Colombia

Colombia remains the largest Andean producer of coca. Despite the progress made in the fight against the production and trafficking of illicit drugs, coca production remains a top income generator for illegal armed actors and organized crime, resulting in increased community insecurity. Where these illegal armed groups are present, development programs may stall, if they exist at all. During FY 2020, USAID’s efforts strengthened legal economies in rural, post-conflict-affected areas by expanding land titling, increasing and strengthening the

competitiveness of licit producers and the value of licit products, with a focus on agricultural value chains, market analyses, and environmental sustainability. USAID also offers technical assistance to rural producers and organizations to improve the productivity of licit crops and increase rural smallholder sales by connecting isolated rural conflict zones to licit markets. USAID/Colombia's encouraging performance with the value of sales and number of hectares indicators are partly a result of the Mission's effort to entice the private sector to increase investments in rural areas. Assistance has also helped local organizations become effective and reliable partners with public and private sector actors in the planning and implementation of socio-economic development initiatives.

Peru

USAID/Peru's Alternative Development budget declined from \$32 million in FY 2013 to \$10 million in FY 2020. Despite a reduced budget, USAID has been able to leverage greater resources and buy-in from Peru's private and public sectors to sustain coca reductions. While in FY 2013 USAID helped 20,560 families to transition to licit livelihoods, that number tripled, to 61,792, in FY 2020. With \$19 million of investments from private partners in FY 2020, alternative development assistance helped farmers improve yields and quality of their products on 83,815 hectares of cacao and coffee-based agroforestry plantations—a 137 percent increase, from 35,317 in FY 2013. USAID also focused on helping farmers aggregate their product to meet market demands, leading to \$83 million in cacao and coffee sales during FY 2020.

In contrast with prior years when the USG provided 90 percent of funding for alternative development programs, the GOP's investment in alternative development has jumped substantially from \$4 million in 2010 to \$39 million in 2019, covering about 60 percent of the annual budget. (Similarly, Peru's eradication budget went from zero in 2012 to \$30.3 million in 2019, or 75 percent of the costs.) In FY 2019, USAID worked with Peru's counter-narcotics agency, DEVIDA, and the Ministry of Economy and Finance to implement an MOU—signed during the 2018 Summit of the Americas—that commits the GOP to increased investment and provision of basic services in priority alternative development regions in coming years. To date, USAID has facilitated the transfer of over \$400 million from the central government to municipalities in counter-narcotics zones to improve basic services, including water and sanitation, electricity, roads, health facilities, and schools.

In FY 2019 and FY 2020, USAID focused on strengthening the capacity of DEVIDA and other GOP entities to replicate successful alternative development programs in new, challenging illicit coca-producing areas, such as the Shining Path stronghold of the VRAEM, using primarily domestic resources. USAID began phasing out interventions in consolidated areas, such as the San Martin region, and continues to assess the appropriate timing to reduce direct government-to-government assistance for alternative development.

Peruvian government officials up to the highest levels affirm the government remains committed to curbing the record cocaine output, despite contending with one of the worst health and economic crises in the nation's history. However, a great deal of political uncertainty follows the June 2021 run-off of the presidential election. It is unclear how the new Peruvian government will approach counter-narcotics and alternative development, or the extent to

which it will cooperate with the USG on these issues. Even under ideal circumstances it would likely take several years to reverse Peru's rising cocaine production. There is a need to increase eradication in the VRAEM and Puno, increase interdiction, and increase jobs for the rural poor. Peru currently has a sound strategy to address the problem, but given the current political climate, there will be a need for political urgency that requires swift execution and more robust U.S. assistance.

Tab M

DEPARTMENT OF TRANSPORTATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION NATIONAL DRUG CONTROL FY 2021 BUDGET FORMULATION COMPLIANCE REPORT



U.S. DEPARTMENT OF TRANSPORTATION
National Highway Traffic Safety Administration

Budget Formulation Compliance Report (BFCR) Table of Contents

BFCR, Part A: Summer Budget Formulation Information

1. Summer Drug Budget Transmittal
2. Summer Drug Budget Resource Summary Table

Part A: FY 2023 Summer Drug Budget Transmittal from DOT to ONDCP

From: [Wald, Karla \(OST\)](#)
To: [Johnston, Steve R. EOP/ONDCP](#)
Cc: [Ziff, Laura \(OST\)](#); [Mccartney, Erin \(OST\) \(erin.mccartney@dot.gov\)](#); [Chao, Robert \(OST\) \(robert.chao@dot.gov\)](#); [Stanley, Melissa \(OST\) \(melissa.stanley@dot.gov\)](#); [Sean Patton \(OST\) \(sean.patton@dot.gov\)](#)
Subject: USDOT FY 2023 ONDCP Summer Budget Submissions
Date: Thursday, June 24, 2021 6:29:00 PM
Attachments: [FAA - FY 2023 ONDCP Drug Budget Submission.pdf](#)
[NHTSA - FY 2023 ONDCP Submission - Transmittal Letter.pdf](#)
[NHTSA - FY 2023 ONDCP Summer Drug Budget Formulation 06.23.2021.pdf](#)

Hi Steve –

Attached are the FY 2023 ONDCP Summer Budget submissions for the Department of Transportation, which include requests from the Federal Aviation Administration and the National Highway Traffic Safety Administration.

Please let me know if you have any questions or comments.

Thanks,

Karla

Karla Wald
Budget Analyst
U.S. Department of Transportation
Office of the Secretary
Office of the Assistant Secretary for Budget and Programs/CFO
Desk: 202.366.1602
Cell: 202.236.2261
E mail: karla.wald@dot.gov

June 23, 2021

The Honorable Regina LaBelle,
Acting Director
Office of National Drug Control Policy
17th Street, NW
Washington, DC 20503

Dear Acting Director LaBelle:

The Office of National Drug Control Policy (ONDCP) Circular on Budget Formulation requires agencies to present information and assertions concerning the budget formulation and accounting of funds expended on ONDCP activities and performance associated with these activities.

Accordingly, this correspondence accompanies the submission of the National Highway Traffic Safety Administration's (NHTSA) Fiscal Year (FY) 2023 Budget and Performance Summary. NHTSA's ONDCP budget request includes a total of \$11.7 million equal to the FY 2022 request. The requested funding supports NHTSA's prevention, research and Emergency Medical Services activities in support of the National Drug Control Strategy.

To the best of my knowledge, the budget formulation, accounting, and performance assertions presented by NHTSA are accurate and complete.

Sincerely,

REBECCA ANN
PENNINGTON

Digitally signed by REBECCA ANN
PENNINGTON
Date: 2021.06.24 08:35:17 -0400

Rebecca Pennington
Acting Chief Financial Officer
National Highway Traffic Safety Administration

Part A: FY 2023 Summer Drug Budget Resource Summary Table submitted to ONDCP

Resource Summary Table

Highway Safety Research and Development Account	Budget Authority (in millions)		
	FY 2021 Enacted	FY 2022 Request	FY 2023 Request
Drug Resources by Function			
Prevention	\$11.68	\$10.50	
Research	\$0.70	\$0.70	
Emergency Medical Services	\$0.50	\$0.50	
Total Drug Resources by Function	\$12.88	\$11.70	
Drug Resources by Decision Unit			
Drug-Impaired Driving Program*	\$2.00	\$2.00	
Highway Safety Research	\$1.70	\$1.70	
Emergency Medical Services	\$0.50	\$0.50	
Communications and Consumer Information*	\$8.68	\$7.50	
Total Drug Resources by Decision Unit	\$12.88	\$11.70	
Drug Resources Personnel Summary			
Total FTEs (direct only)	3	3	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$0.90	\$0.90	
Drug Resources percentage	0.30%	0.30%	

*Funding for these activities is provided under NHTSA's Operations and Research (Highway Safety Research and Development) Trust Fund appropriation and Sec. 142 of the Further Consolidated Appropriations Act, 2021 (P.L. 116-260). Sec. 142 makes available until September 30, 2022, \$7 million for grants, pilot program activities, and innovative solutions to reduce impaired-driving fatalities. The amounts obligated in FY 2023 for such initiatives will be included in future reports to ONDCP.

Dr. Rahul Gupta
Office of National Drug Control Policy
Executive Office of the President
1800 G Street, NW
Washington, DC 20006

Dear Director Gupta:

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the National Highway Traffic Safety Administration (NHTSA) has enclosed its Fiscal Year (FY) 2021 Budget Formulation Compliance Report. NHTSA's obligations for drug-related activities fall below the reporting threshold of \$50 million; therefore, only a limited report is required to satisfy the statutory requirement.

As specified by the Circular, the report states the date the summer budget was submitted to ONDCP and includes a copy of the funding table submitted to ONDCP. The summer drug budget submitted to ONDCP on June 24, 2021, was provided to ONDCP concurrent with our FY 2023 budget submission to the Office of the Secretary. The funding request represents the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department. The table only includes the drug budget *request* from the Department of Transportation since a formal President's Budget has not yet been approved for FY 2023.

NHTSA's point of contact for this report is Nanda Srinivasan, Associate Administrator for Research and Program Development. He can be reached at (202) 366-0179 if further assistance is required.

Sincerely yours,

REBECCA ANN PENNINGTON
Digitally signed by REBECCA ANN PENNINGTON
Date: 2022.01.27 15:18:09 -05'00'

Rebecca Pennington
Acting Chief Financial Officer
NHTSA

Enclosures

DEPARTMENT OF TRANSPORTATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

NATIONAL DRUG CONTROL

FY 2021 DETAILED ACCOUNTING REPORT



U.S. DEPARTMENT OF TRANSPORTATION
National Highway Traffic Safety Administration

Detailed Accounting Report (DAR) Table of Contents

DAR, Part A: Drug Control Funding Obligations

1. Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function
2. Drug Methodology
3. Methodology Modifications
4. Material Weaknesses or Other Findings
5. Reprogrammings or Transfers
6. Other Disclosures

DAR, Part B: Assertions

1. Obligations by Budget Decision Unit
2. Drug Methodology
3. Application of Drug Methodology
4. Material Weaknesses or Other Findings
5. Methodology Modifications
6. Reprogrammings or Transfers
7. Fund Control Notices

1. Table of FY 2021 Drug Control Obligations by Decision Unit and Drug Control Function

Decision Unit and Drug Control Function	Vendor	Project	Fund/FY/BPAC/Org	Amount	
Highway Safety Research	Toxcel LLC	Buckle Up, Phone Down Evaluation	80162122HS.2021.200 2070000.NPD0220000	3,243.00	
	Dunlap and Associates Inc	Develop and Test Drug Positive Driver Detection Cues	80162121HS.2021.200 0000000.NPD0010000	10,051.90	
			80162121HS.2021.200 2090000.NPD0400000	50,783.00	
			06502021ID.2021.2002 01000A.NPD0110000	840,018.00	
	Dunlap and Associates Inc	Drug and Alcohol Prevalence in Road Users in Severe and Fatal Crashes	80162021HS.2021.200 2000100.NPD0300000	233,524.00	
			80162122HS.2021.200 2000100.NPD0300000	43,450.97	
			80162021HS.2021.200 2070000.NPD0220000	158,005.00	
			80162121HS.2021.200 2070000.NPD0220000	765,000.00	
	Yale University	Feasibility of Field Sobriety Test for THC Phase II Laboratory Study	80162121HS.2021.200 2010000.NPD0110000	285,321.00	
	Toxcel LLC	Lay People's Understanding about Alcohol and Drug Related Impairment	80162121HS.2021.200 2010000.NPD0110000	180,416.59	
			80162121HS.2021.200 2070000.NPD0220000	592,559.58	
	Total Research				\$3,162,373.04
	Drug-Impaired Driving Program	International Association of Chiefs of Police (IACP)	Annual Drugs, Alcohol, and Impaired Driving Conference	80162121HS.2021.200 2070000.NPD0220000	70,000.00
IACP		Drug Evaluation and Classification Program	80162121HS.2021.200 2070000.NPD0220000	851,173.00	
			80162121HS.2021.200 2080000.NPD0220000	14,955.00	
Spatial Front Incorporated		Drug Recognition Expert Data & Web Application Programming Interface	80162121HS.2021.200 2070000.NIO0400000	565,202.50	
Toxcel LLC		DUID Tool and Recommendation Implementation Project	80162121HS.2021.200 2010000.NPD0110000	385,195.00	
			80162021HS.2021.200 2010000.NPD0110000	47,774.00	
			06502122ID.2021.2002 01000A.NPD0110000	513,881.61	

	National Association of Drug Court Professionals	DWI Court Training and Technical Assistance	80162121HS.2021.2002010000.NPD0110000	704,126.00
	DOT, Federal Highway Administration	Efficacy of Move Over Laws	80162121HS.2021.2002080000.NPD0220000	100,000.00
	SVD Stars II LLC	Information Technology Support Services	80162121HS.2021.2002070000.NIO0400000	11,502.00
	Society of Forensic Toxicologists Inc	Regional Toxicology Liaison Program	06502021ID.2021.200201000A.NPD0110000	124,206.00
			06502122ID.2021.200201000A.NPD0110000	100,794.00
	Toxcel LLC	State Drug-Impaired Driving Toxicology Meetings	06502122ID.2021.200201000A.NPD0110000	388,992.41
	Toxcel LLC	Strategies to Improve DRE Officers' Performance and Law Enforcement Agencies' DRE Programs	80162121HS.2021.2002070000.NPD0220000	1,525,939.50
			80162121HS.2021.2002080000.NPD0220000	213,883.00
			80162121HS.2021.2002130000.NPD0220000	116,000.00
			80162121HS.2021.2002360000.NPD0210000	50,568.38
			80162021HS.2021.2002010000.NPD0110000	25,000.00
			06502122ID.2021.200201000A.NPD0110000	225,000.00
			National Sheriffs Association	Traffic Safety Priority Programs CAP 1
	DOT OST-R TSI	Training Courses 1 Year	80162121HS.2021.2002070000.NPD0220000	54,290.00
		Training Courses 2 Year	80162122HS.2021.2002070000.NPD0220000	138,459.00
Total Program				\$6,596,969.27
Emergency Medical Services	University of Utah	National Emergency Medical Services Information System (NEMESIS) Technical Assistance Center	80162121HS.2021.2002000100.NPD0300000	450,000.00
			80162121HS.2021.2002110000.NPD0400000	50,000.00
Total EMS				\$500,000.00
Comms	Advertising Council Inc	Drugged Impaired Driving Social Norming Campaign	80162121HS.2021.2002010000.NCO0010000	300,000.00
			06502021ID.2021.200201000A.NCO0010000	500,000.00
Total Communications				\$800,000.00
Total Obligations				\$11,059,342.31

2. Drug Methodology

Although NHTSA lacks a formal, written methodology for identifying drug control obligations, the Agency implements standard procedures and controls. NHTSA follows a budget strategy planning process to develop projects each fiscal year. Projects by Decision Unit and Function that address drug-control activities are identified and tracked in accordance with ONDCP Circulars.

NHTSA uses DOT's financial management system, Delphi, to account for all program expenditures, including funds dedicated to drug-impaired driving initiatives. As part of its annual budget execution process, NHTSA assigns Budget Program Activity Codes (BPACs), unique accounting codes for each program area. In conjunction with individual agreement/contract numbers, BPACs are used to record and track all obligations and expenditures through Delphi. Monthly reconciliation of data recorded in the Delphi accounting system is the key to the program's financial oversight to ensure complete and timely recording.

Drug control fund spending plans are reviewed by Contracting Officer's Representatives, Division Chiefs, Office Directors, the Associate Administrator for Research and Program Development, and the Chief Financial Officer. NHTSA's Office of Acquisition Management (OAM) also reviews this information prior to issuing funds. Once OAM approves, obligating documents (e.g., agreements and contracts) are entered into Delphi and subsequently tracked. Approved invoices are recorded as expenditures against the obligations.

3. Methodology Modifications:

A product of NHTSA, NEMSIS is the national database used to store EMS data from states and territories. The University of Utah is the vendor who hosts the NEMSIS Technical Assistance Center. NHTSA's Office of Emergency Medical Services reported \$500,000 for NEMSIS support, in compliance with Federal Information Security Management Act requirements. These funds supported real-time reporting of naloxone administration data.

4. Material Weaknesses or Other Findings: None

5. Reprogrammings or Transfers: None

6. Other Disclosures: None

Dr. Rahul Gupta
Office of National Drug Control Policy
Executive Office of the President
1800 G Street, NW
Washington, DC 20006

Dear Director Gupta:

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the National Highway Traffic Safety Administration (NHTSA) has enclosed its Fiscal Year (FY) 2021 **Detailed Accounting Report**. NHTSA's obligations for drug-related activities fall below the reporting threshold of \$50 million; therefore, only a limited report is required to satisfy the statutory requirement.

As specified by the Circular, the report details how each drug control unit reports obligation data in support of National Drug Control Program activities. NHTSA Research and Program Development uses the Department of Transportation's Delphi accounting system when identifying, tracking, and reporting drug budget obligations. NHTSA and DOT guidance ensures that a repeatable process is used in tracking drug funds through the accounting cycle. The attached accounting report explains the methodology NHTSA uses.

Assertions

- Obligations by Budget Decision Unit**
Obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record for these Budget Decision Units and are consistent with the application of the approved methodology.
- Drug Methodology:**
 - Data**
The methodology is based on reliable data. NHTSA annually reviews the resources necessary to maintain and improve programs that reduce drug-impaired driving.
 - Financial Systems**
NHTSA uses a unique BPAC to identify and track drug control fund information in DOT's accounting system, Delphi.
- Application of Drug Methodology**
The disclosed drug methodology was used to generate the Table of Prior Year (FY 2021) Drug Control Obligations by Decision Unit and Drug Control Function.
- Material Weaknesses or Other Findings**
None reported
- Methodology Modifications**
In compliance with the Federal Information Security Management Act, NHTSA reported \$500,000 to support real-time reporting of naloxone administration data in the National Emergency Medical Services Information System.
- Reprogrammings or Transfers**
None reported

□ **Fund Control Notices**

The data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices.

NHTSA's point of contact for this report is Nanda Srinivasan, Associate Administrator for Research and Program Development. He can be reached at (202) 366-0179 if further assistance is required.

Sincerely,

REBECCA ANN
PENNINGTON

 Digitally signed by REBECCA ANN
PENNINGTON
Date: 2022.01.27 15:17:05 -05'00'

Rebecca Pennington
Acting Chief Financial Officer
NHTSA

Enclosures

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION
NATIONAL DRUG CONTROL
FY 2021 BUDGET FORMULATION COMPLIANCE REPORT



DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration

Budget Formulation Compliance Report (BFCR) Table of Contents

BFCR, Part A: Summer Budget Formulation Information

1. Copy of the FY 2023 Summer Drug Budget Transmittal Letter submitted to ONDCP
2. Copy of the FY 2023 Summer Drug Budget Resource Summary Table submitted to ONDCP

BFCR, Part B: Assertions – Timeliness and Accurate Reporting of Budget Levels

1. Letter with signed assertions by the Chief Financial Officer (CFO)

Part A: FY 2023 Summer Drug Budget Transmittal from DOT to ONDCP

From: [Wald, Karla \(OST\)](#)
To: [Johnston, Steve R. EOP/ONDCP](#)
Cc: [Ziff, Laura \(OST\)](#); [Mccartney, Erin \(OST\) \(erin.mccartney@dot.gov\)](#); [Chao, Robert \(OST\) \(robert.chao@dot.gov\)](#); [Stanley, Melissa \(OST\) \(melissa.stanley@dot.gov\)](#); [Sean Patton \(OST\) \(sean.patton@dot.gov\)](#)
Subject: USDOT FY 2023 ONDCP Summer Budget Submissions
Date: Thursday, June 24, 2021 6:29:00 PM
Attachments: [FAA - FY 2023 ONDCP Drug Budget Submission.pdf](#)
[NHTSA - FY 2023 ONDCP Submission - Transmittal Letter.pdf](#)
[NHTSA - FY 2023 ONDCP Summer Drug Budget Formulation 06.23.2021.pdf](#)

Hi Steve –

Attached are the FY 2023 ONDCP Summer Budget submissions for the Department of Transportation, which include requests from the Federal Aviation Administration and the National Highway Traffic Safety Administration.

Please let me know if you have any questions or comments.

Thanks,

Karla

Karla Wald
Budget Analyst
U.S. Department of Transportation
Office of the Secretary
Office of the Assistant Secretary for Budget and Programs/CFO
Desk: 202.366.1602
Cell: 202.236.2261
Email: karla.wald@dot.gov

Part A: FAA's FY 2023 Summer Drug Budget Transmittal Letter to ONDCP



Federal Aviation Administration

The Honorable Regina LaBelle
Acting Director
Office of National Drug Control Policy
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Acting Director LaBelle:

As required by 21 U.S.C. § 1703(c)(1)(A), and in accordance with all relevant guidance, I am providing the Office of National Drug Control Policy with the Federal Aviation Administration's FY 2023 Summer Drug Budget Performance submission.

The FY 2023 summer budget request of \$24.371 million is an increase of \$1.136 million from the FY 2022 President's Budget level. The FAA's drug control support work is divided between three decision units, the Air Traffic Organization, the Aviation Safety/Aerospace Medicine Organization, and the Security and Hazardous Material Safety Organization. Each of these decision units provides support services to organizations with drug enforcement authority. Combined, these decision units support four drug functions: intelligence interdiction, investigations, prevention, and state & local assistance.

The Air Traffic Organization supports intelligence interdiction through monitoring national airspace, tracking suspicious aircraft, and providing this information to the DEA/USCG for their interdiction efforts. While ATO will continue these activities, the FAA is no longer providing an estimate of the budgetary resources for these activities. In the audit of the FY 2020 FAA ONDCP budget, the Office of the Inspector General found that, "We were not able to verify the reasonableness of FAA's reported Air Traffic Organization (ATO) obligations because FAA did not provide documentation to support the obligations."³ After a thorough review of these findings, the FAA determined that it cannot provide an estimate with a reasonable justification. This is because ATO performs drug control support as an integral part of identifying and tracking all suspicious aircraft movement in the national airspace. ATO personnel do not have knowledge as to the nature of identified suspicious activity.

Complimenting this work is the intelligence interdiction and state & local assistance provided by the Security and Hazardous Material Safety Organization's Law Enforcement Assistance

³ DOT OIG Semi-Annual Report for October 1, 2020 to March 30, 2021

2

Program. This program provides law enforcement and other agencies with information regarding airmen/aircraft in support of criminal investigations. Finally, the Aviation Safety/Aerospace Medicine Organization performs prevention and investigation work. They investigate complaints about rule violations and allegations of industry employee refusals to test as well as investigating alcohol or drug rule violations by FAR § 67 medical certificate holders.

While the FAA cannot provide an ATO estimate with a reasonable justification, both the Security and Hazardous Material Safety Organization and the Aviation Safety/Aerospace Medicine Organization can and will continue to provide them. We will continue to update you as we refine the budget and our contribution to the drug abatement program for FY 2023. If you should have any questions please do not hesitate to reach out to our point of contact, José Martinez (Jose.M.Martinez@faa.gov).

Sincerely,

DAVID RICKARD
Digitally signed by DAVID RICKARD
Date: 2023.06.24 10:22:22 -0400

David Rickard
Chief Financial Officer, FAA

Part A: FY 2023 Summer Drug Budget Resource Summary Table submitted to ONDCP

DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration

Resource Summary

	Budget Authority (in millions)		
	FY 2021 Enacted	FY 2022 PB	FY 2023 Request
Drug Resources by Function			
Prevention	\$17.500	\$17.240	
Intelligence - Interdiction	\$1.900	\$2.253	
Investigations	\$1.380	\$1.490	
State & Local Assistance	\$1.900	\$2.253	
Total Drug Resources by Function	\$22.680	\$23.235	
Drug Resources by Decision Unit			
Aviation Safety/Aerospace Medicine	\$18.880	\$18.730	
Security and Hazardous Material Safety	\$3.800	\$4.505	
Total Drug Resources by Decision Unit	\$22.680	\$23.235	
Drug Resources Personnel Summary			
Total Full-Time Equivalents (direct only)	114	116	
Drug Resources as a percent of Budget			
Total Federal Aviation Administration Budget (in billions)	\$17.974	\$18.452	
FAA Drug Resources percentage of the total budget	0.13%	0.13%	



U.S. Department
of Transportation
**Federal Aviation
Administration**

Chief Financial Officer

800 Independence Ave. SW
Washington, D.C. 20591

Dr. Rahul Gupta
Director
Office of the National Drug Control Policy
17th St., NW
Washington, DC 20503

Dear Director Gupta:

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the Federal Aviation Administration's (FAA) Fiscal Year 2021 Budget Formulation Compliance Report is enclosed.

As specified by the Circular, the report consists of the transmittal letter as well as the drug budget resource summary table associated with the Summer FY 2023 submission. The table only includes the drug budget request from the Department of Transportation since a formal President's Budget has not yet been approved for FY 2023.

Assertions

1. **Timeliness of budget submission.**

The FAA's summer drug budget was provided to ONDCP concurrent with our FY 2023 budget submission to the Office of the Secretary.

2. **Funding levels represent bureau level requests.**

The funding request represents the funding levels in the budget submission made by the FAA bureaus to the FAA Budget Office without alteration or adjustment by the FAA or Department of Transportation.

3. **FY 2023 funding levels for the President's Budget have not been established.**

A formal President's Budget for FY 2023 has not been approved so the table included in this report only includes the Department of Transportation's budget request for FY 2023.


4. **Unreasonable burden exception.**

In accordance with section 8.d.(1) of the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the FAA finds that complying with the Inspector General Authentication requirements for a budget below \$50 million constitutes an unreasonable reporting burden and requests exemption from the Inspector General review as detailed in section 8.

FAA's point of contact for this report is Peter Toman. He can be reached at (202) 267-5451, if further assistance is required.

Sincerely,

DAVID
RICKARD

 Digitally signed by DAVID
RICKARD
Date: 2022.01.28 15:22:57
-05'00'

David Rickard
Chief Financial Officer

Enclosures

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION
NATIONAL DRUG CONTROL
FY 2021 DETAILED ACCOUNTING REPORT



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 - a. Drug Methodology
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 - d. Reprogrammings or Transfers
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 - a. Drug Methodology
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DAR, Part B: Assertions

1. Letter with signed assertions by the CFO

1. Table of Prior Year Drug Control Obligations

DRUG CONTROL BUDGET RESOURCE SUMMARY TABLE
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
(Dollars in Millions)

	FY 2021	FY 2021
	Enacted	Actual
Drug Resources by Budget Decision Unit and Function*:		
Decision Unit: Aviation Safety/Aerospace Medicine		
Intelligence Interdiction	\$0.000	\$0.000
International	\$0.000	\$0.000
Investigations	\$1.380	\$1.330
Prevention	\$17.500	\$15.670
<i>Industry</i>	\$11.900	\$10.900
<i>Internal</i>	\$5.600	\$4.770
Prosecution	\$0.000	\$0.000
Recovery	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$0.000	\$0.000
Treatment	\$0.000	\$0.000
Total, Aviation Safety/Aerospace Medicine	\$18.880	\$17.000
Decision Unit: Security and Hazardous Material Safety		
Intelligence Interdiction	\$1.900	\$1.850
International	\$0.000	\$0.000
Investigations	\$0.000	\$0.000
Prevention	\$0.000	\$0.000
Prosecution	\$0.000	\$0.000
Recovery	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$1.900	\$1.850
Treatment	\$0.000	\$0.000
Total, Security and Hazardous Material Safety	\$3.800	\$3.700
Drug Resources by Function:		
Intelligence Interdiction	\$1.900	\$1.850
International	\$0.000	\$0.000
Investigations	\$1.380	\$1.330
Prevention	\$17.500	\$15.670
Prosecution	\$0.000	\$0.000
Recovery	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$1.900	\$1.850
Treatment	\$0.000	\$0.000
Total Funding	\$22.680	\$20.700
Drug Resources Personnel Summary		
Aviation Safety/Aerospace Medicine	93	87
Security & Hazardous Materials	21	21
Total FTEs (direct only)	114	108
Drug Resources as a Percent of Budget		
Total Agency Budget	\$ 27,974	\$ 27,974
Drug Resources Percentage	0.08%	0.07%

*Previous submissions have included information related to the FAA's Air Traffic Organization. While the FAA will continue those activities in FY 2023, the agency is no longer providing an estimate of the budgetary resources.

2. Aviation Safety/Office of Aerospace Medicine (AVS/AAM) Report

(a) Drug Control Methodology:

The FAA has written procedures to identify their drug control obligations. The Office of Aerospace Medicine's (AAM) drug control obligations are properly identified in Delphi, the Department of Transportation's (DOT) accounting system, and follow DOT's and FAA's OMB-A123 procedures.

AVS AAM's drug control fund information is identified and tracked in Delphi using unique accounting project Codes, task codes, organization expenditure codes, and program elements. AAM's Drug Control Funds are assigned a separate allocation code for accounting of project funds in Delphi. AVS-AAM used the Delphi OBIEE report AGL99001-B2R Status of Fund YTD report to isolate obligations for FY 2021. The report was run for FY 2021 obligations, including carryforward Operations funding used through November 19, 2021. The following parameters were used, as well as several additional columns that provided more information (e.g., organization, etc.):

- Fund: 1220100210 (the FY 2021 fund code)
- Allotment Fund Code (AFC): 24 (AAM's AFC)
- Major Object Class: All
- Internal Substance Abuse:
 - Organization Code WAB3300000, and
 - BLI 483000
- Industry Substance Abuse:
 - Organization Codes WAB3900000, WAB3910000, WAB3920000, WAB3930000, and
 - BLI 484000
- Investigations:
 - Organization Codes WAB3940000, and
 - BLI 484000

Staffing FTE numbers are actual as of PP2021-20. This is the last full pay period in FY2021, which is what is used by AFN for reporting.

AAM is sent an automated Oracle Staffing report each pay period which is a direct feed from the Federal Payroll Processing System (FPPS) and was setup by the FAA's Human Resources Office.

AAM does not use information received from outside the Department of Transportation to record drug control obligations.

An AAM four step process is in place to monitor AAM's Drug Control Program obligations (not including personnel compensation and benefits) obligations:

- Administrative Assistant review;
- Program Manager approval;
- AAM Finance Branch fund certification; and
- Delphi reconciliation.

Monthly reconciliation of data recorded in the Delphi accounting system is the key to the program's office financial oversight to ensure complete and timely recording of the transactions.

2. Aviation Safety/Office of Aerospace Medicine (AVS/AAM) Report

AAM determines drug control amounts on the basis of estimates supported by (1) historical data obtained from the agency accounting system, and (2) requirements for the year. AAM ultimately compares these estimates to actual amounts when they become available. AAM accounts for the Drug Control expenditures using our internal cuff record system, signed documentation, and Delphi reconciliation.

(b) Methodology Modifications:

None

(c) Material Weaknesses or Other Findings:

None

(d) Reprogramming or Other Transfers:

None

(e) Other Disclosures:

None

3. Security and Hazardous Materials Safety (ASH) Report

(a) Drug Control Methodology:

FAA's Office of Security and Hazardous Materials Safety (ASH) follows the guidance established by the FAA (e.g., the FAA Financial Manual) for all obligations.

ASH's Law Enforcement Assistance Program (LEAP) accounting information can be segregated in DELPHI because LEAP has a unique Budget Line Item (BLI), 464000, which enables ASH to identify total payroll and other object class obligations associated with the program. In addition, we are adding data from the Platform for Unified Reports for the Enterprise (PURE) for LEAP Project, Task codes activities from other ASH programs.

The FAA utilizes Delphi, Oracle Business Intelligence Enterprise Edition (OBIEE), and Labor Distribution Reporting (LDR) data PURE to acquire financial obligation data. ASH used the Delphi OBIEE report AGL99001-B2R Status of Fund YTD report to isolate obligations for FY 2021. The following parameters were used, as well as several additional columns that provided more information (e.g., organization, etc.):

- Fiscal Year 2021; Fund: 1210100200 (FY 2020 fund code) & 1220100210 (FY21 fund code)
- BLI: 464000 (LEAP BLI)
- Allotment Fund Code (AFC): 79 (ASH's AFC)
- Major Object Class: All

The LEAP PC&B and other object class funds are assigned to the 464000 Budget Line Item. No other ASH program financial obligations are assigned to 464000.

ASH employees conducting LEAP activities are assigned to LEAP and therefore employee costs are associated with the 464000 BLI. Delphi financial reports are system generated and available in perpetuity. Delphi data cannot be manipulated. When using the same parameters, the reported data will be the same.

For FY 2021, ASH determined the total cost of regular and paid overtime hours by Delphi Project-Task Code pair for LEAP employees from RLCR1500, Labor Cost by Organization, by Employee LDR reports.

ASH's LEAP division was initially structured to devote 100 percent of its staff time to ONDCP-related work. Since then, responding to incidents related to Unmanned Aircraft Systems (UAS) and Laser pointers have been added to the division's responsibilities, reducing the capacity to conduct ONDCP work. Based on input from the program office, descriptive information in the ASH LDR Dictionary, and Delphi Project and Task Code descriptions, ASH determined the cost of UAS and Laser activities reported by LEAP employees. Therefore, the cost of LEAP is the cost remaining after subtracting the cost of UAS and Laser activities from the total cost of LEAP employees.

ASH's LEAP out-year estimates are based on historical cost data and future expectations for the number of staff that will be assigned to LEAP. When there is unanticipated growth in activities such as UAS and/or Laser activities, additional agents are authorized, vacancies may not be filled because of funding

3. Security and Hazardous Materials Safety Report

issues (e.g., continuing resolutions, hiring freezes, etc.), or there is unanticipated attrition, the out year estimates are impacted because the bulk of the costs are payroll and benefits based. Thus, it is critical to have close working relationships among the ASH LEAP, budget, and ASH and FAA HR offices so that everyone is continuously aware of LEAP developments and changes in personnel needs.

(b) Methodology Modifications:

Not Applicable.

(c) Material Weaknesses or Other Findings:

Not Applicable.

(d) Reprogramming or Other Transfers:

Not Applicable.

(e) Other Disclosures:

Not Applicable.



U.S. Department
of Transportation
**Federal Aviation
Administration**

Chief Financial Officer

800 Independence Ave. SW
Washington, D.C. 20591

Dr. Rahul Gupta
Director
Office of the National Drug Control Policy
17th St., NW
Washington, DC 20503

Dear Director Gupta:

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the Federal Aviation Administration's (FAA) Fiscal Year 2021 Detailed Accounting Report is enclosed.

As specified by the Circular, the report details how each drug control unit reports obligation data in support of National Drug Control program activities. The Offices of Aviation Safety (AVS) and Security and Hazardous Materials (ASH) utilize financial systems such as the Department of Transportation's (DOT) Delphi accounting system and Oracle Business Intelligence Enterprise Edition (OBIEE) when accounting for drug budget obligations. FAA and DOT guidance ensures that a repeatable process is utilized in tracking drug funds through the accounting cycle. The attached accounting report explains the methodology utilized by AVS and ASH.

The FAA's Air Traffic Organization (ATO) provides invaluable support in aiding drug interdiction efforts in the national airspace, and will continue to provide this support. However, the FAA is not including budget data for ATO's drug control activities because their budgetary amounts cannot be accurately estimated and are not able to be tracked and reported in agency financial systems. This was confirmed by the DOT Office of the Inspector General in its report "Federal Aviation Administration's Fiscal Year 2020 National Drug Control Program Activities" (Report No. FI2021019).

Assertions

1. Obligations by budget decision unit.

A table detailing funding by drug budget decision unit and by resource function is provided.

2. Drug methodology based on data and financial systems.

AVS drug control fund information is identified and tracked in Delphi using unique Accounting project codes, Task Codes, organization expenditure code and program element. These Drug Control Funds are assigned a separate allocation code for accounting of project funds in Delphi. ASH utilizes Delphi, OBIEE, and labor distribution reporting data from the Platform for Unified Reports for the Enterprise to

acquire financial obligation data.

3. Application of drug methodology.

The drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1).

4. Material weakness or other findings.

None reported.

5. Methodology modifications.

None reported.

6. Reprogrammings or transfers.

None reported.

7. Fund control notices.

None reported.

8. Unreasonable burden exception.

In accordance with section 8.d.(1) of the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the FAA finds that complying with the Inspector General Authentication requirements for a budget below \$50 million constitutes an unreasonable reporting burden and requests exemption from the Inspector General review as detailed in section 8.

FAA's point of contact for this report is Peter Toman. He can be reached at (202) 267-5451, if further assistance is required.

Sincerely,

DAVID
RICKARD

Digitally signed by DAVID
RICKARD
Date: 2022.01.28 14:46:48
-05'00'

David Rickard
Chief Financial Officer

Enclosures

Tab N

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds

January 27, 2022

Report Number: 2022-10-016

HIGHLIGHTS: Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds

Final Audit Report issued on January 27, 2022

Report Number 2022-10-016

Why TIGTA Did This Audit

This review was conducted as required by the Office of National Drug Control Policy (ONDCP), established under the Anti-Drug Abuse Act of 1988. The ONDCP issued ONDCP Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, which requires all National Drug Control Program agencies to submit to the Director of the ONDCP, not later than February 1 of each year, budget formulation information and a detailed accounting of all funds expended (the ONDCP Circular requires amounts obligated) during the previous fiscal year.

Further, the ONDCP Circular requires that the agency provide the reports to the agency's Inspector General prior to its submission for the purpose of expressing a conclusion about the reliability of each assertion made in the reports.

Impact on Taxpayers

The IRS supports the National Drug Control Strategy through its continued support of the Organized Crime Drug Enforcement Task Force. IRS management is responsible for preparing the annual ONDCP Budget Formulation Compliance Report and Detailed Accounting Report. Complete and reliable financial information is critical to the IRS's ability to accurately report on the results of its operations to both internal and external stakeholders, including taxpayers.

TIGTA reviewed the assertions in the IRS's Fiscal Year 2021 reports.

What TIGTA Found

TIGTA reviewed the assertions in the IRS's ONDCP Budget Formulation Compliance Report and Detailed Accounting Report for Fiscal Year 2021, which ended September 30, 2021. The reports were prepared pursuant to the National Drug Control Policy and the ONDCP Circular. Our responsibility is to express a conclusion on the reliability of management's assertions based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. These standards require that TIGTA plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions to be in accordance with the criteria.

Based on our review, TIGTA is not aware of any material modifications that should be made to the assertions in the IRS's Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report in order for them to be in accordance with the ONDCP Circular.

What TIGTA Recommended

TIGTA made no recommendations as a result of this review. However, IRS management reviewed this report prior to its issuance and agreed with the facts and conclusions presented.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

U.S. DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

January 27, 2022

MEMORANDUM FOR: COMMISSIONER OF INTERNAL REVENUE

A handwritten signature in blue ink that reads "Michael E. McKenney".

FROM: Michael E. McKenney
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Independent Attestation Review of the Internal Revenue Service’s Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds (Audit # 202210005)

This report presents the results of our review to express a conclusion about the reliability of each assertion made in the Internal Revenue Service’s Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report. This review is part of our Fiscal Year 2022 Annual Audit Plan and addresses the major management and performance challenge of *Enhancing Security of Taxpayer Data and Protection of IRS Resources*.

Copies of this report are also being sent to the Internal Revenue Service managers affected by the report findings. If you have any questions, please contact me or Bryce Kisler, Acting Assistant Inspector General for Audit (Management Services and Exempt Organizations).

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Background

The Anti-Drug Abuse Act of 1988 established the Office of National Drug Control Policy (ONDCP) to set priorities, implement a national strategy, and certify Federal Government drug control budgets.¹ The Internal Revenue Service (IRS) supports the National Drug Control Strategy through its continued support of the Organized Crime Drug Enforcement Task Force. The mission of the IRS's Criminal Investigation in Federal law enforcement's anti-drug efforts is to reduce or eliminate the financial gains (profits) of major narcotics trafficking and money laundering organizations through the use of its unique financial investigative expertise and statutory jurisdiction.

The National Drug Control Program agencies² are required to submit to the Director of the ONDCP, not later than February 1 of each year, a detailed accounting of all funds expended (ONDCP guidance requires amounts obligated) by the agency during the previous fiscal year and related assertions, referred to as a Detailed Accounting Report. The National Drug Control Program agencies are also required to include a Budget Formulation Compliance Report as part of their annual submission to the Director of the ONDCP. The Budget Formulation Compliance Report includes the agency drug control budget request and related assertions. Further, ONDCP Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, requires that each report be provided to the agency's Inspector General for the purpose of expressing a conclusion about the reliability of each assertion made in the report. The ONDCP Circular also specifies that Inspector General reviews be conducted not less frequently than every three years. The last IRS ONDCP reporting reviewed by the Treasury Inspector General for Tax Administration³ was Fiscal Year 2018.⁴

Results of Review

Summary of the Independent Attestation Review of the Fiscal Year 2021 Office of National Drug Control Policy Budget Formulation Compliance Report and Detailed Accounting Report

We reviewed the assertions in the IRS's ONDCP Budget Formulation Compliance Report and Detailed Accounting Report for Fiscal Year 2021, which ended September 30, 2021.⁵ The reports

¹ Pub. L. No. 100-690, 102 Stat. 4181 (1988).

² A National Drug Control Program agency is defined as any agency that is responsible for implementing any integral aspect of the National Drug Control Strategy.

³ Treasury Inspector General for Tax Administration, Report No. 2019-10-020, *Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2018 Annual Accounting of Drug Control Funds and Related Performance* (Feb. 2019).

⁴ Any yearly accounting period, regardless of its relationship to a calendar year. The Federal Government's fiscal year begins on October 1 and ends on September 30.

⁵ Appendix II presents the IRS's Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report.

**Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2021 Budget Formulation
Compliance Report and Detailed Accounting Report of Drug Control Funds**

were prepared pursuant to the National Drug Control Policy⁶ and the ONDCP Circular. IRS management is responsible for preparing the reports and its assertions. Our responsibility is to express a conclusion on the reliability of management's assertions based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. These standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions to be in accordance with the criteria. An attestation review is substantially less in scope than an examination—the objective of an examination is to obtain reasonable assurance about whether management's assertions are in accordance with the criteria in all material respects in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to the assertions in the IRS's Budget Formulation Compliance Report and Detailed Accounting Report in order for them to be in accordance with the ONDCP Circular.

While this report is an unrestricted public document, the information it contains is intended solely for the information and use of the IRS, the Department of the Treasury, the ONDCP, and Congress. It is not intended to be, and should not be, used by anyone other than the specified parties.

⁶ 21 U.S. Code § 1704 (d).

Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of this audit is to perform an independent attestation review of the IRS's reporting of Fiscal Year 2021 ONDCP budget formulation information and funds expended for the purpose of expressing a conclusion about the reliability of each assertion made in the Budget Formulation Compliance Report and Detailed Accounting Report. To accomplish our objective, we:

- Obtained an understanding of the process used to prepare the Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report.
- Evaluated the reasonableness of the methodology used to report funds expended for the National Drug Control Program activities.
- Performed selected reviews of reported obligations in the Detailed Accounting Report.
- Evaluated the reasonableness of the methodology used to report budget formulation information for National Drug Control Program activities.
- Performed selected reviews of reported budget resources in the Budget Formulation Compliance Report.

Performance of This Review

This review was conducted as required by the ONDCP and the ONDCP Circular. This review was performed with information obtained from the IRS Headquarters offices of the Chief Financial Officer and Chief, Criminal Investigation, in Washington, D.C., during the period September 2021 through January 2022. Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. A review is substantially less in scope than an examination, the objective of which (an examination) is to obtain reasonable assurance about whether management's assertions are in accordance with the criteria in all material respects in order to express an opinion. Accordingly, we do not express such an opinion. In general, our review procedures were limited to inquiries and analytical procedures appropriate for an attestation review based upon the criteria in the ONDCP Circular.

Major contributors to the report were Bryce Kisler, Acting Assistant Inspector General for Audit (Management Services and Exempt Organizations); LaToya George, Director; Anthony Choma, Audit Manager; Angela Garner, Lead Auditor; and Morgan Little, Senior Auditor.

Appendix II

Fiscal Year 2021 Budget Formulation Compliance Report and Detailed Accounting Report



CHIEF FINANCIAL OFFICER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

January 11, 2022

MEMORANDUM FOR Michael E. McKenney
Deputy Inspector General for Audit

FROM Teresa R. Hunter
IRS Chief Financial Officer

Teresa R.
Hunter

Digitally signed by Teresa
R. Hunter
Date: 2022.01.11
09:55:21 -0500

SUBJECT: FY 2021 IRS Budget Formulation Compliance Report and
Detailed Accounting Report for National Drug Control Program
Agency Compliance Review

The purpose of this memorandum is to transmit the IRS FY 2021 Budget Formulation Compliance Report and Detailed Accounting Report. The Budget Formulation Compliance Report includes the summer budget formulation transmittal email and resource summary table. These documents are submitted as directed in the Office of National Drug Control Policy (ONDCP) Circular entitled *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021. This circular requires the Treasury Inspector General for Tax Administration (TIGTA) to express a conclusion about the reliability of each management assertion made in the IRS's submission by February 1, 2022.

If you have any questions, please contact please contact Jason Bumiller, Director of Budget Execution at (202) 317-4307 or Jeramie Ashton, Director, Budget Formulation, at (202) 317-4180.

Attachment A: Summer Drug Budget Transmittal Email and Formulation Assertions
Attachment B: Summer Drug Budget Resource Summary Table
Attachment C: Detailed Accounting Submission

Attachment A:

Summer Drug Budget Transmittal Email and Formulation Assertions

On June 14, 2021 the summer budget was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(1).

Assertions

- The agency provided the FY 2023 Summer Drug Budget Transmittal email and FY 2023 Summer Budget Resource Summary Table to ONDCP on June 14, 2021, in response to Sections 6.a.(1) the ONDCP Circular: National Drug Control Program Agency Compliance Reviews and 9.a.(1) in the ONDCP Circular: Budget Formulation. The FY 2023 Summer Drug Budget was provided to ONDCP at the same time as the budget request was submitted to Agency superiors, in accordance with 21 U.S.C. Section 1703(c)(1)(A). The FY 2023 Summer Drug Budget Transmittal email and Summer Budget Resource Summary Table are provided in Attachments A and B.
- The funding request in the submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the Criminal Investigation Division to the IRS without alteration or adjustment by any official at the IRS.

Transmittal Email¹

¹ Note: TIGTA deleted the transmittal e-mail attachment as it is not a required part of this ONDCP reporting. We also deleted page 3 of this document because it was blank.

Attachment B:

Summer Drug Budget Resource Summary Table

A copy of the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2) is included below as attachment B.

Resource Summary

	Budget Authority (in Millions)		
	FY 2021 Operating Plan	FY 2022 (Assumed Enacted)	FY 2023 Proposed Reques
Drug Resources by Function			
Investigations	\$60.257	\$60.257	
Total Drug Resources by Function			
Drug Resources by Decision Unit			
Criminal Investigation	\$60.257	\$60.257	
Total Drug Resources by Decision Unit			
Drug Resources Personnel Summary			
Total FTEs (direct only)	295	295	
Drug Resources as a Percent of Budget			
Total Bureau Budget (in Billions)	\$12.0	\$13.2	
Drug Resources Percentage	0.50%	0.46%	

Attachment C:

Detailed Accounting Submission

A. Table of Fiscal Year (FY) 2021 Drug Control Obligations

Narcotics	
Drug Resources by Function	
Investigations	<u>\$68,973,512</u>
Total	\$68,973,512
Drug Resources by Decision Unit	
Narcotics Crimes	<u>\$68,973,512</u>
Total	\$68,973,512

1) Drug Methodology

- a) All Drug Control Obligations (the resources appropriated and available for these activities) are reported under one Drug Control Function and one Budget Decision Unit, as shown in the above chart.
- b) The Internal Revenue Service (IRS) Drug Control Budget encompasses the Criminal Investigation's (CI) Narcotics Program¹. CI's overall Direct Investigative Time (DIT) applied to narcotics investigations for FY 2021 is 11.2 percent of the agency's total DIT.

The methodology for computing the resources appropriated and realized for the Narcotics Program is the application of DIT attributable to narcotics investigations. The Narcotics DIT percentage is applied to the total realized appropriated resources for a year, excluding reimbursable and Earned Income Tax Credit (EITC) funds, for which the resources are being reported. The result is determined to be the amount of resources expended on the Narcotics Program. This methodology was approved by CI, the IRS Chief Financial Officer, and the Office of National Drug Control Policy (ONDCP) during FY 2014 and was effective for FY 2014 and all subsequent fiscal years.

¹ The IRS-CI Narcotics Program consist of five sub-programs that include; 1. Organized Crime Drug Enforcement Task Forces (OCDETF); 2. High Intensity Drug Trafficking Area (HIDTA); 3. HIDTA-OCDETF; 4. Terrorism-OCDETF; and 5. Narcotics-Other.

2) Methodology Modifications

No changes or modifications in the DIT computation methodology from the prior year were made.

3) Material Weaknesses or Other Findings

None

4) Reprogramming or Transfers

None

5) Other Disclosures

None

B. Assertions

1) Obligations by Budget Decision Unit

Obligations reported by the Budget Decision Unit are a result of applying DIT data derived from Criminal Investigation's Management Information System (CIMIS) to the actual obligations from the CI realized Financial Plan, excluding reimbursables and EITC funds.

2) Drug Methodology

The drug control methodology used is reasonable and accurate. The current methodology used to calculate obligations of prior-year budgetary resources has not changed from FY 2018 to FY 2021. There was no impact in the methodology in FY 2021 since the methodology in FY 2020 did not change.

a) Data

Data is derived from CIMIS to determine the DIT applied to CI's Narcotics Program. Each CI special agent submits CIMIS time reports monthly detailing their activities relating to specific investigations. Each investigation is associated with a specific program and sub-program area. The percentage of DIT applied to each program area is calculated monthly with a final annual percentage determined after the close of the fiscal year to determine the total resources expended to support the U.S. Government's National Drug Control Strategy. The annual percentage of DIT relating to all narcotics sub-programs is applied to the total resources expended for FY 2021 in the CI Appropriated Enforcement Budget (excluding reimbursable and EITC funds).

b) Financial Systems

The IRS Integrated Financial System (IFS) is the final authority for the IRS resource obligations and yields data which fairly presents drug related obligation estimates.

3) Application of Drug Methodology

The methodology disclosed in this section was the actual methodology used to generate the required table and meets all requirements described in Section 6 of the ONDCP Circular: Compliance Review. Calculations made using this methodology are sufficiently documented to independently reproduce all data and ensure consistency between reporting years.

4) Material Weaknesses or Other Findings

All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

5) Methodology Modifications

No modifications were made to methodology for reporting drug control resources from the previous year's reporting.

6) Reprogramming or Transfers

The data presented is associated with obligations against a financial plan and properly reflects any revisions occurring during the fiscal year.

7) Fund Control Notices

Criminal Investigation asserts the data presented is associated with obligations against a financial plan that fully complied with all fund control notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular: Budget Execution, as applicable.

Appendix III

Abbreviations

IRS	Internal Revenue Service
ONDCP	Office of National Drug Control Policy



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Financial Crimes Enforcement Network (FinCEN)
Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021

On the basis of FinCEN's management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that FinCEN's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) was submitted to ONDCP via email on June 24, 2021 at the same time the budget was submitted to the DCFO in accordance with 21 U.S.C. § 1703(c)(1)(A).
2. The funding request in the submission provided to ONDCP in the summer drug budget resource table represent the funding levels in the budget submission made by FinCEN without alteration or adjustment by any official at FinCEN.

Peter D.
Bergstrom

Digitally signed by
Peter D. Bergstrom
Date: 2022.02.23
11:42:45 -05'00'

Peter Bergstrom, Chief Financial Officer
Financial Crimes Enforcement Network

Date

Department of the Treasury – Financial Crimes Enforcement Network

	Budget Authority (in millions)		
	FY 2021 Current	FY 2022 PB	FY 2023 Summer Budget
Drug Resources by Function			
Investigations	\$1.68	\$ 2.12	■
Total Drug Resources by Function	\$1.68	\$ 2.12	■
Drug Resources by Decision Unit			
Salaries and Expenses	\$1.68	\$ 2.12	■
Total Drug Resources by Decision Unit	\$1.68	\$ 2.12	■
Drug Resources Personnel Summary			
Total FTEs (direct only)	12	14	■
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$127.0M	\$190.5M	■
Drug Resources Percentage	1.32%	1.11%	■

Financial Crimes Enforcement Network (FinCEN)
Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2021

On the basis of FinCEN's management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that FinCEN's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by FinCEN to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
4. There were no modifications to the methodology used to report drug control resources.
5. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2021.
6. FinCEN did not have any ONDCP Fund Control Notices issued in FY 2021.
7. Compliance with the Inspector General Authentication requirements of Section of this Circular would constitute an unreasonable reporting burden.

Peter D.
Bergstrom

Digitally signed by Peter
D. Bergstrom
Date: 2022.02.07
07:10:31 -05'00'

Peter Bergstrom, Chief Financial Officer
Financial Crimes Enforcement Network

Date

**Financial Crimes Enforcement Network (FinCEN)
Detailed Accounting Submission
Drug Control Funding Obligations
For Fiscal Year Ended September 30, 2021
(Dollars in Millions)**

		FY 2021 Actual Obligations
Drug Obligations by Budget Decision Unit and Function:		
Decision Unit: Investigations		
Salaries and Expenses	\$	1.02
Total Investigations	\$	1.02
Total Drug Control Obligations	\$	1.02

Disclosure 1: Drug Methodology

The FTE estimate was based on staff working on transnational criminal organizations with a demonstrated drug nexus, including opioids. The funding level was estimated using the salary and benefit costs for GS 13/5 personnel.

Data – All accounting information for FinCEN is derived from Oracle.

Financial System – Oracle is FinCEN’s financial system that provides obligation data.

Disclosure 2: Application of Drug Methodology

The drug methodology disclosed was the actual methodology used to generate the table.

Disclosure 3: Methodology Modifications

No modifications were made to the methodology from the prior year.

Disclosure 4: Material Weaknesses or Other Findings

There were no material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in FinCEN’s Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations data.

Disclosure 5: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected FinCEN's drug-related budgetary resources.

Disclosure 6: Inspector General Authentication

With less than \$50 million in prior year drug-related obligations, compliance with the Inspector General Authentication requirements of Section 8 of this Circular would constitute an unreasonable reporting burden.

Department of the Treasury – Financial Crimes Enforcement Network

	Budget Authority (in millions)		
	FY 2021 Current	FY 2022 PB	FY 2023 Summer Budget
Drug Resources by Function			
Investigations	\$1.68	\$ 2.12	
Total Drug Resources by Function	\$1.68	\$ 2.12	
Drug Resources by Decision Unit			
Salaries and Expenses	\$1.68	\$ 2.12	
Total Drug Resources by Decision Unit	\$1.68	\$ 2.12	
Drug Resources Personnel Summary			
Total FTEs (direct only)	12	14	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$127.0M	\$190.5M	
Drug Resources Percentage	1.32%	1.11%	



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

January 27, 2022

MEMORANDUM FOR REGINA M. LABELLE, ACTING DIRECTOR

FROM: John H. Battle, Associate Director of Operations

John H. Battle

Digitally signed by John
H. Battle
Date: 2022.01.31
10:41:49 -05'00'

SUBJECT: FY 2023 OFAC Budget Formulation Compliance Report and Detailed Accounting Report

This memorandum provides the OFAC FY 2023 Budget Formulation Compliance Report, which is required in the ONDCP Circular: National Drug Control Program Agency Compliance Reviews, 9 September 2021). This report is being submitted along with the summer budget formulation transmittal memo and table.

I assert that:

- OFAC provided the FY 2023 Summer Drug Budget Transmittal Letter and FY 2023 Summer Budget Resource Summary Table to ONDCP on July 8, 2021, in response to Sections 6.a.(1) the ONDCP Circular: National Drug Control Program Agency Compliance Reviews and 9.a.(1) in the ONDCP Circular: Budget Formulation. The FY 2023 Summer Budget Resource Summary Table is provided in Attachment A.
- OFAC did not submit its FY 2023 budget request to ONDCP at the same time it submitted its request to OFAC's parent organization, the Office of Terrorism and Financial Intelligence (TFI). OFAC is neither a bureau nor an agency; it is an office within TFI. TFI is an office within Treasury's Departmental Offices' bureau. OFAC cannot guarantee that Departmental Offices submitted the FY 2023 budget request to the Treasury's budget office on July 8, 2021 as OFAC does not directly participate in this submission process.
- OFAC's FY 2023 Summer Drug Budget Request represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department. Noted, however, was that the FY 2023 request amount in the fall budget was updated by OFAC to reflect better estimates for OFAC's drug control budget.

Additionally, OFAC's Detailed Accounting Report is included in Attachment B.

If you have any questions, please contact me at john.battle@treasury.gov, or your staff can contact Laura Farley at laura.farley@treasury.gov.

ATTACHMENTS

- A. FY 2023 Summer Budget Resource Summary Table
- B. Detailed Accounting Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

Attachment A: FY 2023 Summer Budget Resource Summary Table

DEPARTMENT OF THE TREASURY
The Office of Foreign Assets Control

	Budget Authority (in Millions)		
	FY 2021 Enacted	FY 2022 President's Budget	FY 2023 Summer Budget
Drug Resources by Decision Unit			
Prosecution	\$0.681	\$0.681	
Total Drug Resources by Decision Unit	\$0.681	\$0.681	



Attachment B: Detailed Accounting Report

OFAC Detailed Accounting Report

A. Drug Control Funding Obligations

1. Prior Year (FY 2021) Drug Control Obligations

	Budget Amounts (in Millions)		
	FY 2021 Authority	FY 2021 Obligations	Difference
Drug Resources by Decision Unit and Function			
OFAC	\$0.681	\$0.894	(\$0.213)
Total Drug Resources by Decision Unit and Function	\$0.681	\$0.894	(\$0.213)

2. Drug Methodology

OFAC assessed the number of FTEs working on drug-related matters as a total of 6 full-time positions. At the time the FY 2021 budget was formulated, the authority level was estimated using a standard salary and benefit costs for six GS 13-5 personnel. The obligations amount was derived by pulling the actual FY 2021 labor costs from the financial system for the six employees filling the six drug-related positions working on drug-related matters.

3. Methodology Modifications

The above table and detailed methodology represent OFAC's previous reporting methodology. Beginning with the FY 2023 Fall Budget Request, OFAC updated its methodology to include estimated pay raise and inflations estimates. Recently, however, OFAC has decided to use the specific employees' annual labor estimates instead of straight-lining six GS13-5 employees as the six OFAC employees are differing grade and step levels. By using the employees' grade and step levels to estimate OFAC's drug control budget, OFAC can provide a more realistic estimate each year. A table showing the methodology differences will be provided in next year's detailed accounting report as this change did not take place in FY 2021.

4. Material Weaknesses or Other Findings

OFAC is not aware of any material weaknesses or other findings.

5. Reprogrammings or Transfers

No official reprogrammings or transfers occurred during FY 2021 as OFAC's drug control budget is within its overall budget amount and not controlled separately. The spending overage shown in number 1 was covered by OFAC's overall budget.



6. Other Disclosures

OFAC does not have any other disclosures.

B. Assertions

1. Obligations by Budget Decision Unit

OFAC asserts that obligations reported by budget decision unit are the actual obligations derived from the bureau's financial reports and are consistent with the application of the above methodology, as required by ONDCP Circular: *Budget Formulation*, Section 7, for calculating drug control funding against the bureau's accounting system of record for these Budget Decision Units.

2. Drug Methodology

OFAC asserts that the obligations reported by budget decision unit are accurate and follow the methodology outlined in the previous section.

- a) **Data** – The data reported is based on the above methodology and financial reporting actuals for the identified employees filling the six full-time positions that OFAC has identified as drug-control related.
- b) **Financial Systems** – OFAC pulls the obligations data reported above from a data download report from the bureau's budget office (Assistant Secretary for Management, Office of Financial Management). The bureau's budget office pulls this data directly from the bureau's official financial reporting system.

3. Application of Drug Methodology

OFAC asserts that the methodology described above was the actual methodology used to produce the obligations amount. OFAC has specified which positions are drug-control related and pulls the actual labor costs for the employees filling those positions from the financial system in order to produce the obligations amount.

4. Material Weaknesses or Other Findings

OFAC asserts that no material weaknesses or other findings have been reported.

5. Methodology Modifications

OFAC asserts that ONDCP was made aware of the pay raise and inflation addition to OFAC's FY 2023 budget request amount in the Fall budget request submission. The new, proposed methodology to use the current six employees's labor estimates that are filling OFAC's six drug control-related positions in order to formulate the annual budget amount has not yet been approved by ONDCP as this methodology was recently changed within OFAC.

6. Reprogrammings or Transfers

OFAC asserts that no reprogrammings or transfers took place during FY 2021.



7. Fund Control Notices

OFAC asserts that the data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

C. Inspector General Authentication

1. Notification

OFAC will notify ONDCP if Treasury's Inspector General conducts an attestation review.

2. Unreasonable Burden Exception

OFAC requests an Unreasonable Burden Exception for the Inspector General Authentication requirements and review as compliance with the Inspector General Authentication requirements of Section 8 of ONDCP's Circular *National Drug Control Program Agency Compliance Reviews* would constitute an unreasonable reporting burden. OFAC's prior year drug control obligations amounted to \$.894 million, which is far less than the \$50 million obligations threshold that may request an exception. OFAC is neither a bureau nor an agency; it is an office within the Office of Terrorism and Financial Intelligence (TFI). TFI is an office within Treasury's Departmental Offices' bureau.

Tab 0



DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL

Office of Audits and Evaluations

DEPARTMENT OF VETERANS AFFAIRS

Independent Review of VA's
Fiscal Year 2021 Detailed
Accounting and Budget
Formulation Compliance
Reports to the Office of
National Drug Control Policy

REVIEW

REPORT #21-03164-115

MARCH 22, 2022



MISSION

The mission of the Office of Inspector General is to serve veterans and the public by conducting meaningful independent oversight of the Department of Veterans Affairs.

In addition to general privacy laws that govern release of medical information, disclosure of certain veteran health or other private information may be prohibited by various federal statutes including, but not limited to, 38 U.S.C. §§ 5701, 5705, and 7332, absent an exemption or other specified circumstances. As mandated by law, the OIG adheres to privacy and confidentiality laws and regulations protecting veteran health or other private information in this report.

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Abbreviations

FY	Fiscal Year
OIG	Office of Inspector General
ONDCP	Office of National Drug Control Policy
VHA	Veterans Health Administration



DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL
WASHINGTON, DC 20001



March 22, 2022

MEMORANDUM

TO: Chief Financial Officer
Veterans Health Administration (104)

FROM: Assistant Inspector General
Office of Audits and Evaluations (52)

SUBJECT: *Independent Review of VA's Fiscal Year 2021 Detailed Accounting and Budget Formulation Compliance Reports to the Office of National Drug Control Policy*

1. The OIG has reviewed the assertions made by management of the Department of Veterans Affairs, Veterans Health Administration (VHA), that are required by the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). These assertions are found in the attached Detailed Accounting Report and Budget Formulation Compliance Report for the year ended September 30, 2021, under the heading, "B. Assertions," on pages 20 and 37 of this report.
2. VHA management is responsible for the preparation of the Detailed Accounting Report and the Budget Formulation Compliance Report and the assertions contained therein, in conformity with the requirements of the Circular. VHA officials who signed these two reports are identified on pages 21 and 37 of this report. The OIG's responsibility is to express a conclusion on VHA management's assertions based on its review.
3. The OIG's review was conducted in accordance with generally accepted government auditing standards, which incorporate the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that the OIG plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions for them to be fairly stated. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects, to express an opinion. Accordingly, the OIG does not express such an opinion. The OIG believes this review provides a reasonable basis for its conclusion.

4. In the Detailed Accounting Report, VHA management reported three material weaknesses, two significant deficiencies, and five matters concerning noncompliance with laws and regulations, as identified in the OIG report, *Audit of VA's Financial Statements for Fiscal Years 2021 and 2020* (Report No. #21-01052-33, November 15, 2021). These conditions are listed in the Detailed Accounting Report in the section, "Material Weaknesses or Other Findings," found on pages 19 and 20 of this report. A material weakness is a deficiency, or combination of deficiencies, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
5. Based on the OIG's review, except for the effects, if any, of the matters described in the preceding paragraph, the OIG is not aware of any material modifications that should be made to VHA management's assertions for them to be fairly stated.
6. The OIG provided VHA with the draft report for review and comment. The VHA chief of staff concurred with the report with one comment. For purposes of clarity, the chief of staff requested adding information to footnote 2 that accompanies the chart in VA's Budget Formulation Compliance Report on page 24 of this report. As requested, the OIG added, "Agency budget estimates are not final and subject to change following the budget appropriations process." This change is the responsibility of VHA. It does not affect the OIG's conclusion in the preceding paragraph. The chief of staff's response follows on page three of the OIG's report.



LARRY M. REINKEMEYER
Assistant Inspector General
for Audits and Evaluations

Attachments

VA Management Response

Department of Veterans Affairs Memorandum

Date: March 15, 2022

From: Veterans Health Administration, Chief of Staff (10B)

Subj: OIG Draft Report, Independent Review of VA's Fiscal Year 2021 Detailed Accounting and Budget Formulation Compliance Reports to the Office of National Drug Control Policy (Project No. 2021-03164-AE-0154)

To: Assistant Inspector General for Audits and Evaluations (52)

1. Thank you for the opportunity to review the subject Office of Inspector General (OIG) draft report. I concur with OIG's draft report with comment.
2. For purposes of clarity, the Veterans Health Administration asks OIG to include information for the reader that Agency budget estimates are not final and subject to change following the budget appropriations process. This information seems relevant to existing footnote 2, page 2, accompanying the chart in the Budget Formulation Compliance report.

The OIG removed point of contact information prior to publication.

(Original signed by)

Jon M. Jensen

For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.

Attachment 1: Detailed Accounting Report

Statement of Disclosures and Assertions for FY 2021 Drug Control Obligations Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2021

In accordance with ONDCP's Circular, National Drug Control Program Agency Compliance Reviews, dated September 09, 2021, the Veterans Health Administration asserts that the VHA system of accounting, use of obligations, and systems of internal controls provide reasonable assurance that:

Obligations are based upon the actual expenditures as reported by the Decision Support System (DSS), which is the designated Managerial Cost Accounting (MCA) System of the Department of Veterans Affairs.

The methodology used to calculate obligations of budgetary resources is reasonable and accurate in all material respects and as described herein was the actual methodology used to generate the costs.

Accounting changes are as shown in the disclosures that follow.

DEPARTMENT OF VETERANS AFFAIRS
 VETERANS HEALTH ADMINISTRATION
 Annual Reporting of FY 2021 Drug Control Funds

A. Detailed Accounting Submission

1. Table of FY 2021 Drug Control Obligations

(In Millions)	
Description	FY 2021 Actual
Drug Resources by Budget Decision Unit:	
Medical Care.....	\$973.649
Medical & Prosthetic Research.....	\$25.418
Total.....	\$999.067
Drug Resources by Drug Control Function:	
Treatment.....	\$973.649
Research & Development.....	\$25.418
Total.....	\$999.067

2. Drug Control Methodology

The obligation tables for the FY 2021 Drug Control Obligations (above) and the Resource Summary (page 19) showing obligations and FTE (Full-Time Equivalent) for substance use disorder (SUD) treatment in Veterans Health Administration (VHA) are based on specific patient encounters. The specific patient encounters include all inpatient and outpatient episodes of care either provided by VHA staff or purchased in the community. The source data for VHA inpatient care is the Patient TreatmentFile (PTF). For outpatient care, it is the National Patient Care Database Encounter file (SEFILE). For contract care, it is either the PTF or the hospital payment file. For traditional outpatient medical care in the Community (MCC) and Provider Agreements (PA), it is the Provider Payment file. For Third Party Agreements (TPA) Choice, it is the expedited payments from the Office of Community Care (OCC) that are stored in the Corporate Data Warehouse (CDW).

All patient encounters have an associated diagnosis. The primary diagnosis is considered the reason the patient is being treated and is used to determine whether the treatment provided is a substance use disorder treatment and which type of substance use disorder. A list of the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5) and International Statistical Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) Diagnosis groups used for substance use disorders are shown in the following table:

Diagnosis Code	Description (DSM-5 and ICD-10-CM)
F11xx	Opioid Related Disorders
F12xx	Cannabis Related Disorders
F13xx	Sedative Hypnotic/Anxiolytic Related Disorders
F14xx	Cocaine Related Disorders
F15xx	Other Stimulant Related Disorders
F16xx	Hallucinogen Related Disorders
F19xx	Other Psychoactive Substance Related Disorders

It should be noted that Prescriptions and Lab tests do not have linkages to a specific diagnosis and are not included in the report.

The cost of VHA provided services is calculated by the Managerial Cost Accounting (MCA) System of the Department of Veterans Affairs (VA). MCA cost data is used at all levels of the VA for important functions, such as cost recovery (billing), budgeting and resource allocation. Additionally, the system contains a rich repository of clinical information, which is used to promote a more proactive approach to the care of high risk (i.e., diabetes and acute coronary patients) and high-cost patients. VA MCA data is also used to calculate and measure the productivity of physicians and other care providers.

The basic unit of MCA cost is the product. For VHA a product can range from a prescription fill made through a mail-out pharmacy, to an outpatient dental exam, to a bed-day of care in an Intensive Care Unit. Every product that is delivered is fully costed. This means that all direct labor, direct supply, and associated indirect costs (to include local and national overhead costs) are applied. Once they are fully costed, products are then assigned to the applicable patient encounter.

MCA costs are the basis for the obligations displayed in the ONDCP report. The Allocation Resource Center (ARC) develops ARC cost, which is computed by taking the MCA cost and removing the non-patient specific costs, such as Operating costs for Headquarters, Veterans Integrated Service Network (VISN) Support, National Programs, and Capital and State Home costs, and adding in the community care payments.

For budget purposes, ARC costs are transformed into obligations to account for the entire VHA Budget. It is a multi-step methodology that is implemented to compute obligations.

- The ARC costs are divided into their appropriations using cost centers identified in their Monthly Program Cost Report (MPCR), which is a MCA Account Level Budget (ALB) based report that accounts for all the costs that comprise the MCA system.
- A facility specific ratio of obligations to ARC cost for non-capital costs is created and multiplied by the expenditures to create medical center specific obligations.
- Assign the medical center capital obligations to VHA services proportional to cost.
- Aggregate the national overhead obligations by cost center into their appropriations and assign them to patient services proportional to cost.
- Balance the final obligations nationally to the SF133 Report on Budget Execution total proportionately.

MEDICAL CARE

Year in Review

In FY 2021, 244,564 Veterans who received services within VHA were diagnosed with a drug use disorder. Of these Veterans, VHA provided services by mental health clinicians in a variety of settings and modalities, including outpatient, clinical video telehealth or telephone care to nearly 86 percent (209,456) of Veterans with any diagnosis of a drug use disorder. Among Veterans receiving treatment within VHA in FY 2021, approximately 16 percent (38,199) used amphetamines, around 25 percent (61,152) used cocaine, around 27 percent (66,993) used opioids, and around 54 percent (13,779) used cannabis. (These categories are not mutually exclusive.)

Data for FY 2020 reflected a decline in utilization of VHA services by Veterans experiencing substance use concerns believed to be related to the pandemic. The decrease in the number of Veterans with a SUD diagnoses served is not believed to be reflective of a change in demand for SUD services. VHA moved rapidly to ensure sustainment of treatment services, rapidly transitioning SUD specialty services to telehealth platforms. VHA also worked closely with the Substance Abuse and Mental Health Services Administration (SAMHSA) to ensure continued access to medications for the treatment of opioid use disorder (M-OUD). In FY 2021 VHA saw a slight increase in utilization. In reviewing available data on utilization of SUD specialty services, Veterans are gradually re-engaging with SUD services. Consistent with expansion in use of telehealth since the start of the pandemic, VHA continued to utilize telehealth (telephone only and audio/visual) to support provision of SUD specialty treatment.

As requested, VHA is exploring available data that would allow for more precise information related to Veteran requests for SUD treatment and subsequent engagement in care. At the current time, this information is not available. Development of SUD specific content for the new electronic health record is continuing with the expectation that this information will be available in the future.

The proposed FY 2023 budget is aligned with several Biden-Harris Drug Policy Priorities which include 1) Expanding access to evidence-based treatment; 2) Advancing racial equity in our approach to drug policy; 3) Enhancing evidence-based harm reduction efforts; 4) Advancing recovery-ready workplaces and expanding the addiction workforce; and 5) Expanding access to recovery support services.

Expanding Access to Evidence-Based Treatment

VHA SUD Service Care Delivery

National policy and expectations for the management of SUD within VHA is guided by VHA Handbook 1160.04 and the VA / Department of Defense (DoD) Clinical Practice Guidelines for the Management of SUD (<http://www.healthquality.va.gov/>). VHA is a leader in the prevention and treatment of SUD and uses a stepped care approach to SUD treatment. Patients with at-risk alcohol use or the least severe SUDs may be treated with evidence-based brief interventions and/or medical management in primary care or general mental health. For those with more severe disorders, specialty SUD treatment programs provide intensive services including withdrawal management, evidence-based psychosocial treatments, SUD medication, case management and relapse prevention. In an effort to better identify and engage Veterans in SUD treatment, VHA is drafting a proposal to provide universal drug screening through primary care as it already does for alcohol use disorder. As an integrated healthcare system, VHA is uniquely situated to address the needs of Veterans diagnosed with a SUD, including providing supports to address co-occurring medical, mental health, and psychosocial needs (e.g., housing, employment). Treatment for SUD occurs across settings and with policy defining expectations for access to SUD treatment, including expectations for access through Community Based Outpatient Clinics (CBOC) and Health Care Centers (HCC).

VHA also continues to improve service delivery and efficiency by integrating services for mental health disorders, including SUD, into primary care settings. Veterans from Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn/Operation Inherent Resolve (OEF/OIF/OND/OIR) and Veterans from other eras are served in primary care teams (Patient Aligned Care Teams: PACTs) that have co-located mental health staff to identify and address potential mental health and substance use treatment needs. Secondary prevention services include diagnosis and assessment of possible substance use disorders in patients presenting medical problems that suggest elevated risk of substance use disorders (e.g., treatment for Hepatitis C, prescribed opioid medications). Recognizing the importance of PACT-based care, VHA is implementing the Behavioral Health Interdisciplinary Program – Collaborative Chronic Care Model (BHIP-CCM) at every VHA facility. Implementation of BHIP – CCM teams within general mental health further supports VA's commitment to providing access to chronic disease management and treatment for substance use disorders beyond specialty SUD treatment settings.

Most Veterans with substance use disorders are treated in outpatient programs. Outpatient withdrawal management is available for patients who are medically stable and who have sufficient social support systems to monitor their status. Standard outpatient programs typically treat patients one or two hours per session and patients are generally seen once or twice a week. Intensive SUD outpatient programs generally provide at least three hours of service per day and patients attend three or more days per week.

Considering the frequent co-occurrence of substance use disorders with posttraumatic stress disorder, VHA has also assigned a SUD specialist to each of its hospital-level posttraumatic stress disorder services or teams. The staff person is an integral member of the posttraumatic stress disorder clinical services team and works to integrate substance use disorder care with all other aspects of posttraumatic stress disorder-related care. Among the specialists' responsibilities are identification and treatment of Veterans with co-occurring SUD and posttraumatic stress disorder. Specialists also promote preventive services for Veterans with posttraumatic stress disorder who are at risk for developing a substance use disorder.

VHA provides two types of 24-hour care to patients with severe, complex, or acute substance use disorders. These include inpatient withdrawal management, and stabilization in numerous medical and general mental health units, equivalent to Level 4, Medically Managed Intensive Inpatient Treatment as specified by the American Society of Addiction Medicine Patient Placement Criteria, and provision of care in Mental Health Residential Rehabilitation Treatment Programs (otherwise referred to as Domiciliary beds). VHA offers care in Mental Health Residential Rehabilitation Treatment Programs (MH RRTPs) to Veterans with complex, co-occurring mental health, substance use, medical, and psychosocial needs. Specialty Domiciliary SUD programs provide treatment equivalent to Level 3.7, Medically Monitored Intensive Inpatient Services as specified by the American Society of Addiction Medicine Patient Placement Criteria. At the end of FY 2021, 70 Domiciliary SUD programs were in operation with more than 1,800 beds focused specifically on intensive, medically monitored residential SUD treatment. In addition to those MH RRTPs formally designated as Domiciliary SUD programs, additional SUD specialized services are offered through tracks in other MH RRTPs and the majority of Veterans served by MH RRTPs are diagnosed with a substance use disorder. Several new Domiciliary SUD programs are under development with the number of programs expected to grow over the next few years.

Programs to end homelessness among Veterans are encouraged to have SUD specialists as a part of their multidisciplinary teams. There are SUD specialists working in the Department of Housing and Urban Development – VA Supportive Housing (HUD-VASH), Grant and Per Diem (GPD) and the Health Care for Homeless Veterans (HCHV) programs; however, the use of SUD specialists can vary locally based on site-specific needs. These specialists emphasize early identification of substance use disorders as a risk for maintaining permanent housing, promote engagement or re-engagement in SUD specialty care programs, provide SUD treatment services such as Contingency Management, and serve as linkages between homeless and SUD programs.

Methamphetamine

VA recognizes the emerging threat that methamphetamine poses to our nation's Veterans. Specific data on the rates of methamphetamine use disorder are not available. However, the overall rates of amphetamine use disorder have been increasing over the past several years. The number of Veterans who received care for amphetamine use disorder decreased somewhat due to the pandemic with 38,199 Veterans who received care in VHA during FY 2021 having an amphetamine use disorder diagnosis. VA's commitment to provision of evidence-based treatment has positioned VA well to respond to this emerging threat. Contingency Management (CM) is an evidence-based treatment with demonstrated efficacy in treating stimulant use disorder. VHA implemented CM in 2011, and through September 2021, VHA has provided contingency management services to over 5,700 Veterans with nearly 92 percent of the greater than 73,000 urine samples testing negative for the target drug(s) (e.g. stimulants or cannabis). In January 2022, VHA plans to launch a stimulant safety initiative that will include a focus on expanding access to evidence-based practice such as CM and Cognitive Behavioral Therapy (CBT) for Veterans with stimulant use disorder.

Opioid Use Disorder

Slightly more than 66,993 Veterans with an opioid use disorder (OUD) diagnosis were seen in VHA in FY 2021. Medication for OUD (M-OUD) has historically been provided in SUD specialty-care clinics, but a significant number of Veterans with clinically diagnosed OUD do not access SUD specialty care. By disseminating evidence-based models for delivery of M-OUD in primary care, mental health, and pain management clinics, Veterans are expected to have timely access to the right treatment at their preferred point of care. VHA launched the Stepped Care for Opioid Use Disorder Train the Trainer (SCOUTT) initiative in August 2018 with the intent of supporting the expansion of M-OUD in level 1 clinics (primary care, general mental health and pain management clinics). Phase 1 sites in each VISN implemented this expansion during FY 2019. From August 2018 through September 2021 there was a 211 percent increase in the number of patients receiving buprenorphine in the Phase 1 level clinics and 194 percent increase in the number of providers prescribing buprenorphine in these clinics. Further, Veterans are being retained in care with 71 percent of Veterans retained on buprenorphine for more than 90 days. A National Virtual SCOUTT conference for Phase 1 sites took place in September 2020 with over 300 attendees. Phase 2 of the SCOUTT initiative was launched in FY 2020 and three regional conferences occurred in April 2021 attracting over 500 participants. Since the launch of Phase 2 in October 2020, there has been a 29 percent increase in the number of patients receiving buprenorphine and a 20 percent increase in the number of providers prescribing buprenorphine. Further, the infrastructure developed to support Phase 1 of the SCOUTT initiative also supports level 1 clinics at facilities that are not formally involved in the SCOUTT initiative.

In FY 2021, evidence-based M-OUD, including office-based treatment with buprenorphine and extended-release injectable naltrexone, was accessible to patients seen at 100 percent of VHA medical centers. VHA operates federally regulated opioid treatment programs that can provide methadone maintenance on-site at 33 larger urban locations and at a growing number of VHA facilities that maintain contractual arrangements or arrange non-VA care for providing care through community-based licensed opioid treatment programs. VHA continues to expand the availability of M-OUD for Veterans. VA monitors the percent of patients with OUD who receive M-OUD (45.8 percent through FY 2021 Quarter 3) as part of the Psychotropic Drug Safety Initiative (PDSI). PDSI is a nationwide psychopharmacology quality improvement (QI) program that supports facility-level QI through quarterly quality metrics, clinical decision support tools, technical assistance for QI strategic implementation, and a virtual learning collaborative. Since 4th quarter FY 2019, VA has seen a 4 percent increase in the number of Veterans that received M-OUD (total of 27,358, for FY 2021). Starting in FY 2021, the PDSI has expanded its focus to include safer prescribing of stimulant medication.

The number of providers with a Drug Enforcement Administration (DEA) X-waiver have also continued to increase since the 4th quarter FY 2020 with over 6,500 providers who have written any prescription issued to the VHA pharmacy (VA employed and community providers serving Veterans) as of December 2021 holding an X-Waiver. This reflects an increase of 19 percent from the same timepoint in FY 2020. VA has realized that it will be critical to go beyond providers obtaining a waiver that allows them to prescribe buprenorphine. The number of providers with a DEA X-waiver that prescribed buprenorphine is significantly lower than the number of providers with an X-waiver with only 21 percent of those providers with an X-waiver issuing a prescription for buprenorphine as of December 2021. While the number of providers is increasing, VA is focusing efforts to remove barriers to prescribing and to support the initiation of buprenorphine when indicated. VHA Notice 2019-18, Buprenorphine Prescribing for Opioid Use Disorder was published in October 2019 and re-issued in September 2020 by the Undersecretary with the intent of clarifying national policy and tasking facilities to remove potential barriers to prescribing if present. In January of 2021, in an effort to reduce prescribing barriers, VHA also removed the requirement for written consent to provide buprenorphine for the treatment of opioid use disorder. In addition, in July 2020, VA formalized efforts to provide training to support efforts to ensure that all providers eligible to obtain an X-waiver had access to the training utilizing primarily an 8-hour half and half (four hours online and four hours live training) for physicians and a 24-hour training model for eligible non-physician prescribing providers. Between July 2020 and July 2021 VA offered trainings with over 525 providers trained. Given the changes in training requirements for providers treating 30 or less patients put forward with the new SAMHSA Buprenorphine Guidelines in April 2021, additional trainings are being planned to include the addition of shorter focused trainings for providers and other interdisciplinary staff who support M-OD. VA has also started offering "office hour" sessions for M-OD treatment consultation with SMEs where providers can discuss cases and ask question of subject matter experts (SMEs) in live sessions as well as continuing consultation via e-mail through the VHA "Ask the Expert Program" and direct live patient consultation through the National TeleMental Health Center. VHA also recognizes the importance of capturing more detailed information on providers most likely to prescribe buprenorphine for OUD and has developed tools that will allow for improved understanding of availability of X-waivered providers by practice setting.

In support of interprofessional team-based models of care, VA is leveraging Clinical Pharmacy Specialist (CPS) providers to deliver comprehensive medication management services and improve Veteran access to SUD care. In partnership with the VA Office of Rural Health, the VA Pharmacy Benefits Management (PBM) Clinical Pharmacy Practice Office launched a nationwide initiative in FY2020 to expand the CPS provider workforce focused on SUD care. Since initiation, 51 VA facilities have been awarded funding to hire 64 CPS providers across Mental Health, Pain Management, Primary Care and Specialty Care settings with a focus of expanding access to OUD and alcohol use disorder (AUD) care for rural Veterans. As part of this project, three regional train the trainer clinical pharmacy boot camps were held virtually in June and July 2020 and trained 234 VA-CPS providers in OUD and AUD care. The training focused on advancing CPS provider practice in SUD care and risk mitigation across level 1 clinics, in alignment with the SCOUTT initiative and offered subsequent office hours to further support CPS practice growth in SUD care. All boot camp participants completed 24-hour DEA X-waiver training prior to the boot camp in anticipation that future legislation may include pharmacist practitioners as potential providers of buprenorphine-based therapy, furthering access to M-OD. As of the 4th quarter FY 2021, 212 VA CPS providers are routinely delivering OUD care with 47,150 encounters in FY 2021. This represents a 76.8 percent growth in CPS provider practice in OUD care delivery since the implementation of the SCOUTT initiative; significant CPS practice growth in SUD care is expected in FY 2022.

Advancing racial equity and diversity in our approach to drug policy

In June 2021 VHA brought together a workgroup to better understand gender/ethnic/racial, Lesbian Gay Bisexual Transgender Questioning and others (LGBTQ+) SUD healthcare disparities in VHA with the goal of piloting target interventions for the largest gaps in FY 2022 and then based on the results of these pilots disseminating best practices to the field in FY 2023.

Mental Health residential treatment services, including SUD residential services for women Veterans are available in every VISN. Across the residential programs that serve women Veterans, 70 percent offer gender specific mental health services and 56 percent offer a separate, secure wing or unit for women Veterans. For those women Veterans requesting a residential program for women Veterans only, there are currently 11 programs that serve as national resources available to meet that need. Five of the women-only programs provide intensive specialty treatment for substance use. Further, about 37 percent of VA facilities offer women-only outpatient SUD or PTSD-SUD treatment, and all of VA facilities offer individual SUD or SUD-PTSD treatment for women Veterans. Finally, VA is developing at least 2 additional women only residential SUD treatment programs that will serve as national referral resources for women Veterans.

VHA also has pursued educational efforts to promote culturally competent SUD care, e.g., its Best SUDCare Anywhere webinar series has convened webinars on SUD care for women (in FY 2019), culturally competent SUD care (in FY 2020), and is convening a webinar on SUD care for Native Americans in January 2022.

Enhancing evidence-based harm reduction efforts

Opioid Safety Initiative

VHA continues to pursue a comprehensive strategy to promote safe prescribing of opioids when indicated for effective pain management. The purpose of the Opioid Safety Initiative (OSI) is to ensure pain management is addressed thoughtfully, compassionately, and safely. The OSI makes the totality of opioid use visible at all levels in the organization. Based on comparisons of national data between the quarter beginning in Quarter 4, FY 2012 (beginning in July 2012) to Quarter 4, FY 2021 (ending in September 2021), many aspects of the OSI continue to show positive results. Fewer than 377,679 Veterans were on long-term opioids. The average dose of selected opioids has continued to decline as 60,652 fewer patients were receiving morphine equivalent daily doses greater than or equal to 90 milligrams, demonstrating that prescribing and consumption behaviors are changing. The desired results of OSI have been achieved during a time that VHA has seen a 6.2 percent increase in Veterans that have utilized VHA outpatient pharmacy services.

According to the Centers for Disease Control and Prevention (CDC), 50 million adults in the United States have chronic daily pain, with 19.6 million adults experiencing high-impact chronic pain that interferes with daily life or work activities. Chronic pain is a national public health problem as outlined in the 2011 study by the Institute of Medicine (IOM). The IOM study describes in detail many concerns of pain management, including system-wide deficits in the training of our Nation's health care professionals in pain management and substance use disorders prevention and management, and the problems caused by a fragmented health care system. The over-use and misuse of opioids for pain management in the United States is a consequence of a health care system that until recently was less than fully prepared to respond to these challenges.

VHA has identified and broadly responded to the many challenges of pain management through policies supporting clinical monitoring, education and training of health professionals and teams, and expansion of clinical resources and programs. VHA's Pain Management Directive defines and describes policy expectations and responsibilities for the overall National Pain Management Strategy and Stepped Care pain model, which is evidence-based and has been adopted by the DoD as well.

Our approach to managing opioid over-use fits into this plan, and the VA has employed broad strategies to address the opioid epidemic: education, pain management, risk mitigation, and addiction treatment. First, VHA addressed the problem of clinically inappropriate high dose prescribing of opioids through the VA's national program, OSI. Second, VHA developed an effective system of interdisciplinary, patient-aligned pain management with the competency to provide safe and effective pain control and quality of life for Veterans for the remainder of their lives.

VHA has reduced the reliance on opioid medication for pain management by more than 60 percent since 2012, largely by starting fewer patients newly on long-term opioid therapy and by offering pain care options that are safer and more effective in the long run. Most of the decline in VHA opioid prescriptions is not due to Veterans "getting by" with fewer opioids, but by following a Stepped Care Model for Pain treatment addressing the causes of pain with fewer Veterans requiring the initiation of long-term opioid therapy. VHA has been recognized by many as a leader in the pain management field for the responsible use of opioids. Notably, VHA has organized many types of interdisciplinary pain care teams to help with medication safety, patient education, pain schools, cognitive behavioral therapy and helping patients transition from a biomedical to a biopsychosocial model of pain care. As VHA continues its efforts to address opioid over-use, non-opioid treatments, and complementary and integrative medicine treatments (such as massage therapy, yoga, meditation, occupational therapy, physical therapy, recreational therapy, acupuncture, tai chi, etc.) are an important component to VHA's Pain Management Strategy.

To further strengthen OSI and keep this trend moving in the right direction, VHA has deployed state-of-the-art tools to help protect Veteran patients using high doses of opioids or with medical risk factors that put them at an increased risk of complications from opioid medications including overdose. These tools include the Stratification Tool for Opioid Risk Mitigation (STORM), which is available to all clinical staff in the VHA. These tools include information about the dosages of opioids and other sedative medication, significant medical problems that could contribute to an adverse reaction and monitoring data to aid in the review and management of complex patients. The STORM allows VHA providers to view information about risk factors for opioid overdose, suicide-related events and other harms and recommends patient-specific risk mitigation strategies. To address overdose and suicide risk, VHA required that patients identified as very high risk per the STORM predictive model receive a case review by an interdisciplinary team including pain, addiction, and mental health expertise. Preliminary findings from a randomized policy evaluation of this new clinical program found that patients targeted for case review had lower rates of all-cause mortality and medical record documented adverse events, such as motor vehicle accidents and overdose.

Additionally, VHA has formalized a system-wide Academic Detailing program that is in process of being implemented throughout the organization. Academic Detailing provides specialty teams to visit facilities and provide on-site support and education to providers to further enhance pain management efforts. The Academic Detailing program is another important step to improve mental health, substance use disorder, and pain management medication therapy across all VHA medical centers. As of September 30, 2021, academic detailers (specially trained VA Pharmacists) have held 76,183 outreach visits related to Opioid Safety, Overdose Education and Naloxone Distribution, opioid use disorder, and suicide prevention.

As VHA continues its efforts to address opioid over-use, complementary and integrative medicine treatments are an important component to VHA's Pain Management Strategy. VHA currently offers many complementary and integrative medicine treatments, many of which may be useful in chronic pain. These treatments include acupressure, acupuncture, biofeedback, chiropractic services, exercise, heated pool therapy, hypnosis/hypnotherapy, massage therapy, meditation, occupational therapy, physical therapy, recreational therapy, relaxation, tai chi, transcutaneous electrical nerve stimulation, yoga, and other services.

VHA has several other programs that are complementary to the Opioid Safety Initiative and include:

- State Prescription Drug Monitoring Programs (PDMP): Fifty (50) States, the District of Columbia, and Puerto Rico are activated for outgoing transmission of VA controlled substances prescription data. 50 of 54 individual states/regional/territories PDMPs are currently participating in the VA's new integrated PDMP query solution. Since the solution was deployed across VA on November 9, 2020, over 2 million queries have been executed with the PDMP button to help guide treatment solutions. This does not include queries that are done manually, for example, from those states that are not yet integrated into the PDMP solution.
- Medication Take-Back Program: VA offers free medication take back services to Veterans through mail-back envelopes and on-site receptacles compliant with Drug Enforcement Administration (DEA) regulations. As of September 30, 2021, Veterans have returned over 250 tons of unwanted or unneeded medication using these services.

Opioid Overdose Education and Naloxone Distribution

The VA Opioid Overdose Education and Naloxone Distribution (OEND) program aims to decrease opioid-related overdose deaths among VHA patients by providing education on opioid overdose prevention, recognition of opioid overdose, and training on the rescue response, including provision of naloxone. All three Food and Drug Administration (FDA)-approved forms of naloxone (injectable, nasal spray and auto-injector) that the FDA states can be considered as options for community distribution were added to the VA National Formulary as soon as they were available. The nasal spray formulation is currently available through every VHA facility. VHA assembled injectable (intramuscular) naloxone kits as part of its initial OEND program. These were replaced by the auto-injector—specifically designed for layperson use—when that formulation became available. However, the auto-injector was abruptly discontinued by the pharmaceutical manufacturer on September 30, 2020. In response, VHA has started re-assembling the injectable (intramuscular) naloxone kits. VHA recommends offering OEND to Veterans prescribed or using opioids who are at increased risk for opioid overdose or whose provider deems it clinically indicated. Given the increase in opioid-involved stimulant overdoses, VHA also recommends offering OEND to Veterans with stimulant use disorders. Academic Detailing has promoted OEND through individualized, evidence-based educational outreach visits and consultation for clinicians by clinicians.

In July 2016, Congress took the important step of eliminating copayment requirements for opioid antagonists (e.g., naloxone) furnished to Veterans at high risk for overdose and for education on their use (per P. L. 114-98, title IX, the Jason Simcakoski Memorial and Promise Act). This change has been implemented throughout VHA and a final rule has been published in the Federal Register that amended two of VA's copayment regulations, 38 CFR 17.108 and 17.110, to accurately implement these changes into the Code of Federal Regulations. The proposed rule also defines who VHA considers to be at high risk for overdose. This definition will assist in the implementation of the public law and facilitate identification of high-risk Veterans. Early identification of these Veterans can facilitate provision of lifesaving opioid antagonist medication. Since implementation of the OEND program in 2014, over 36,700 VHA prescribers, representing all VHA facilities, have prescribed naloxone, and more than 650,000 naloxone prescriptions have been dispensed to over 328,100 Veterans (as of December 2021). Through December 2021, as documented through spontaneous reporting of overdose reversal events as well as through a national note, over 2,000 overdose reversals with naloxone have been reported.

As of April 2021, 129 VHA facilities had equipped 3,552 VA Police officers with naloxone, with 136 reported opioid overdose reversals with VA Police naloxone, and 77 VHA facilities had equipped 1,095 Automated External Defibrillator (AED) cabinets with naloxone, with 10 reported opioid overdose reversals with AED cabinet naloxone. VHA's Rapid Naloxone Initiative received the 2020 John M. Eisenberg National Level Innovation in Patient Safety and Quality Award.

This prestigious award from The Joint Commission (TJC) and National Quality Forum recognizes those who have made significant and long-lasting contributions to improving patient safety and health care quality. Notably, in 2018 VHA dispensed a naloxone prescription for 1 in 6 patients on high dose opioids, as compared to 1 in 69 patients in the private sector.

Finally, as part of the broader OEND effort, VHA has established a community of practice for sharing innovative and promising practices which has included discussion of post-overdose engagement in treatment. Materials developed in support of the OEND initiative also are available to Veterans, their family members, and the broader public.

Syringe Service Programs

In May of 2021 the Assistant Under Secretary for Clinical Services issued interim guidance on Syringe Services Programs (SSPs) recommending that VA medical Centers develop SSPs or otherwise ensure Veterans enrolled in VHA care have access to SSPs where such programs are not prohibited under state, county, or local law. In addition to providing access to sterile needles, syringes and other supplies, SSPs facilitate safe disposal of used syringes and provide the opportunity to link to other important services, such as buprenorphine induction, and programs such as OEND, screening and treatment for viral hepatitis and HIV, screening for sexually transmitted infections and referral to social, mental health, and other medical services. VHA is currently in the process of drafting a directive supporting the establishment of SSPs in VHA Medical Centers where not prohibited by under state, county, or local law.

In FY 2022, VHA will implement a national electronic medical record note template for SSPs that will facilitate documentation of screening for infectious diseases associated with injection drug use, vaccinations, referrals for services, and prescriptions for syringes. VHA plans to develop a standard VHA SSP kit for VA facilities standing up SSPs, facilitating consistent practices in assembling, prescribing, and dispensing a specified set of essential sterile items to Veterans who inject drugs. VHA also plans to develop Talent Management System (TMS) training to enhance provider knowledge about harm reduction and SSPs and give them the information they need to educate Veterans on safer injection practices and safer drug use. At the start of FY 2022, there were four (4) VA facilities operating SSPs, with another 18 VA facilities close to standing up and implementing SSPs. By the end of FY 2022 and continuing into FY 2023, VHA expects the number of programs to increase significantly with implementation of the SSP Directive and of the standard VHA SSP kits. FY 2023 efforts will focus on assisting programs with implementation via data tools and other supportive resources. VHA will promote innovative practices demonstrated to have benefit, such as distribution of fentanyl test strips, and work to disseminate proven innovations to the maximum extent possible consistent with variations in legal and regulatory requirements throughout the U.S.

In FY 2022, VHA plans to implement a national electronic medical record note template for SSPs which include screening for infectious diseases, vaccinations, referrals for services, and prescription for syringes. VHA is also planning to centrally develop SSP kits that facilities developing SSPs can prescribe in order to provide essential sterile equipment to Veterans who inject drugs. VHA also plans to develop a Talent Management System (TMS) training module to enhance provider knowledge about harm reduction and SSPs and give them the information they need to educate Veterans on safer injection practices, safe disposal of used syringes, and safer drug use. At the start of FY 2022, there were four VA-SSPs operating in the enterprise and 18 programs close to implementation. By the end of the fiscal year and into FY 2023 we expect the number of programs to increase significantly with the implementation of the directive and national kits. Fiscal Year 2023 efforts will focus on assisting programs with implementation which will include supportive tools like data resources. VHA will work to promote innovative practices including distributing fentanyl test strips and work to scale up innovations as much as possible given variations in law throughout the country.

Post-Overdose Care

During FY 2019, VHA implemented a process for documenting accidental and severe adverse effect overdoses as a component of suicide prevention efforts. Implementation of the Suicide Behavior and Overdose Report (SBOR) note template provides a foundation for VHA to implement strategies designed specifically to address the myriad of overdose risk factors from a patient-centered perspective and to support Veteran engagement in timely treatment following a non-fatal overdose (opioid and non-opioid related). In July 2021, VHA mandated use of a national medical record note template to report overdose (e.g., SBOR), with a focus on improving post-overdose care. As past non-fatal overdoses increase the risk of future overdose events, VHA also mandated facilities have a process to ensure that overdose events are reviewed with a focus on engaging patients in treatment. In general, VHA is aligning the required processes for reporting non-fatal overdoses with the already required reporting and post-event treatment interventions for Veterans who make a suicide attempt. This initiative involves a national medical record note template designed to standardize and streamline the process of overdose reporting across VHA, enhancing the visibility of accidental overdoses within the Veteran's medical record, improving clinical care after the suicide/overdose event, and facilitating real-time tracking of overdose event data, for use in clinical decision support tools and local/national aggregate reports.

Advancing recovery-ready workplaces and expanding the addiction workforce/ Expanding access to recovery support services.

Implementation of the FY 2022 and 2023 SUD budgets focus on expanding and scaling up the addiction workforce and advancing the recover-ready workplace as well as access to recovery services through:

- Expanding the addiction workforce to support residential and general SUD care delivery (including funding for new SUD providers in our General Mental Health Clinics, Primary Care-Mental Health Integration Programs and through the addition of telehealth providers in our Clinical Resource Hubs)
- Enhancing employment opportunities for Veterans in recovery by funding SUD specific supported employment staff at VA Medical Centers
- Increasing Peer Support Services by increasing the number of SUD-Specific Peer Specialists at VA Medical Centers. Specific training in SUD is being planned for Peer Specialists. Strategies to help support hiring of Peer Specialists with bilingual skills will be initiated.

Other Initiatives

Veterans Justice Programs

The Uniform Mental Health Services Handbook affirmed that "Police encounters and pre-trial court proceedings are often missed opportunities to connect Veterans with VA mental health services as a negotiated alternative to incarceration or other criminal sanctions." VA medical centers provide outreach to justice-involved Veterans in the communities they serve.

VA services for justice-involved Veterans are provided through two dedicated national programs, both prevention-oriented components of VA's Homeless Programs: Health Care for Reentry Veterans (HCRV) and Veterans Justice Outreach (VJO). Known collectively as the Veterans Justice Programs (VJP), HCRV and VJO facilitate access to needed VA health care and other services for Veterans at all stages of the criminal justice process, from initial contact with law enforcement through community reentry following extended incarceration.

HCRV Specialists provide outreach to Veterans approaching release from state and Federal prisons. They briefly assess reentry Veterans' probable treatment needs, help Veterans plan to access responsive services upon release, and provide post-release follow-up as needed to ensure that Veterans are engaged with needed services. Most HCRV Specialists are based at VA medical centers, but they typically serve Veterans across a large area, often conducting outreach to prison facilities in at least one entire state, and sometimes an entire VISN.

VJO Specialists serve Veterans at earlier stages of the criminal justice process, with a three-pronged focus on outreach to community law enforcement, jails, and courts. VJO Specialists at each VA medical center work with Veterans in the local criminal courts (including but not limited to the Veterans Treatment Courts, or VTCs), conduct outreach in local jails, and engage with local law enforcement by delivering VA-focused training sessions and other informational presentations. Each VA medical center has at least one VJO Specialist, who serves as a liaison between VA and the local criminal justice system.

Public Law 115-240, The Veterans Treatment Court Improvement Act of 2018, signed September 17, 2018, required VA to hire 50 new Veterans Justice Outreach Specialists to serve in VTCs, in addition to their other outreach duties. VA medical centers have filled all positions, as well as an additional 15 positions added in FY 2020.

Veterans who are seen by HCRV and VJO Specialists access VA mental health and substance use treatment at high rates. Most Veterans seen in the VJO program have a mental health (72 percent) or substance use disorder (56 percent) diagnosis, or both (48 percent). Within one year of their VJO outreach visit, 92 percent of Veterans with mental health diagnoses had had at least one VHA mental health visit. Within the same timeframe, 66 percent of Veterans with substance use disorder diagnoses had had at least one VHA substance use disorder visit; these Veterans had an average of 12 outpatient visits that year. Veterans seen by HCRV Specialists have a similar profile, with 43 percent with a mental health diagnosis, 23 percent with a substance use disorder diagnosis and 18 percent with both. Veterans in HCRV access VHA care at high rates, but slightly lower than those in VJO with 86 percent of those with a mental health diagnosis having at least one visit, an average of 11 outpatient visits within one year of their HCRV outreach visit. For those with a substance use disorder, 52 percent had at least one visit, and an average of 6 outpatient visits within one year of their HCRV outreach visit. Improving access to treatment and care for this segment of the Veteran population is in direct alignment with the identified agency goals.

In communities where justice programs relevant to Veterans exist (Veterans courts, drug courts, mental health courts, and police crisis intervention teams), VA has taken the initiative in building working relationships to ensure that eligible justice-involved Veterans get needed care. In communities where no such programs exist, VA has reached out to potential justice system partners (judges, prosecutors, police, and jail administrators) to connect eligible justice-involved Veterans with needed VA services including addiction treatment. VJO specialists currently serve Veterans in 601 Veterans Treatment Courts and other Veteran-focused courts, with more planned. Their duties in a Veterans Treatment Court include linkage to VHA treatment services. These specialists also educate and advocate for the availability of evidence-based SUD treatments, especially MOUD, in criminal justice settings and in preparation for transition of patients from those settings to community living.

In communities without Veterans Treatment Courts, VA medical centers have established relationships with a range of justice system and community partners, including police and sheriffs' departments, local jail administrators, judges, prosecutors, public defenders, probation officers, and community mental health providers.

Collaboration with Federal Partners

VHA is committed to working collaboratively with other Federal Partners in support of the National Drug Control Strategy and will continue to share insights of VHA efforts and input into the national drug strategy agenda to address SUD care with ONDCP and other interagency partners. With the support of ONDCP, VHA provided an update on VHA peer support services through a webinar in September 2020. Furthermore, VHA is working collaboratively with the Indian Health Service (IHS) and the Department of Defense (DoD) on joint training opportunities in the SUD lane including overdose prevention, opioid safety and evidence-based SUD practice. VHA is also collaborating actively with Health and Human Services (HHS)/ Substance Abuse and Mental Health Services Administration on education related to Contingency Management and oversight of the VA Opioid Treatment programs. VHA also recently worked with HHS in FY 2020 to provide access for staff from IHS and the Bureau of Prisons to join the Clinical Pharmacy Boot Camps to support expansion of SUD services supported by Clinical Pharmacy Specialists with 32 Public Health Service partners participating in this virtual program. VHA is currently working collaboratively with the Department of Defense (DoD) to share lessons learned across the agencies to support access to M-ODU, particularly for transitioning service members and in FY 2021 VHA along with DoD updated the VA/DoD Clinical Practice Guidelines for the Management of Substance Use Disorders.

The accompanying Department of Veterans Affairs Resource Summary (page 19) was prepared in accordance with the following ONDCP circulars (a) National Drug Control Program Agency Compliance Reviews dated September 9, 2021, (b) Budget Formulation, dated September 9, 2021, and (c) Budget Execution, dated September 9, 2021. In accordance with the guidance provided in the Office of National Drug Control Policy's letter of September 7, 2004, VA's methodology only incorporates Specialized Treatment costs.

Specialized Treatment Costs (Dollars in Millions)

Specialized Treatment	VHA Obligations	Care in the Community Obligations	Total Obligations	FTE
Inpatient	\$229.622	\$136.330	\$365.952	879
Outpatient	\$342.709	\$35.554	\$378.263	1,227
Residential Rehabilitation & Treatment	\$229.434	\$0.000	\$229.434	992
Total	\$801.765	\$171.884	\$973.649	3,098

VA does not track obligations by ONDCP function. In the absence of such capability, obligations by specialized treatment costs have been furnished, as indicated.

MEDICAL & PROSTHETIC RESEARCH

VHA research supports the generation of new knowledge to improve prevention, diagnosis, and treatment of substance use disorders (SUD) (e.g., opioids, alcohol, tobacco, cocaine, cannabis, methamphetamine, etc.), as well as the development and testing of innovative, non-opioid approaches for chronic pain management for Veterans.

The VA patient population has experienced many of the problems of at-risk opioid and addiction that have made this a major clinical and public health issue in the U.S. Opioids are used to treat pain, but they are associated with dangerous side effects including depressed breathing, cognitive impairment, and the potential for addiction.

The second State of the Art (SOTA) Conference on Effective Management of Pain and Addiction: Strategies to Improve Opioid Safety was held on September 11-12, 2019. This conference focused on three areas: 1) Managing Opioid Use Disorder (OUD), 2) Long Term Opioid Therapy and Tapering; and 3) Substance Use Disorder and Pain. Findings from the SOTA were published in the Journal of General Internal Medicine (Becker WC et al., J Gen Intern Med. 2020). Three areas of focus included managing opioid use disorder, tapering of long-term opioid therapy for pain when risk outweighs benefit, and co-occurring pain and substance use disorder. Recommendations made by SOTA participants included testing implementation strategies in the Veterans Health Administration for: 1. Expanding access to medication treatment for OUD, 2. Testing collaborative tapering programs for patients prescribed long-term opioids, and 3. Larger trials of behavioral and exercise/movement interventions for pain among patients with substance use disorders. In accordance with goals identified in the SOTA, VA's Health Services Research and Development (HSR&D) released a new research solicitation in Fall 2020 that will fund focused research to inform, improve, and/or implement evidence-based practices to improve opioids safety and management of OUD. This research solicitation adheres to cross-cutting principles aimed at expanding our understanding of care for older Veterans, developing more effective strategies for reducing racial and ethnic disparities, and examining the effects of the COVID-19 pandemic in the treatment and management of pain and OUD. The solicitation will focus research on numerous priority areas including:

- a) Implementation of evidence-based medications for opioid use disorder (M-OUD)
- b) Identification and development of appropriate and successful strategies for opioid tapering and discontinuation
- c) Examination of the potential role of buprenorphine/naloxone and non-pharmacological interventions in managing pain in patients with a history of OUD
- d) Development of more effective approaches to monitor patient outcomes for guiding treatment
- e) Development of new approaches for sustaining patient engagement in treatment including use of telehealth platforms
- f) Study of the management of acute pain among patients on M-OUD, including issues in emergency department care and best practices involving patients with acute pain who are at risk for relapse

Further, in recognition of the rising rates of stimulant use disorder and stimulant overdoses across the country and within the VA, HSR&D also added research on stimulant use disorder to its parent Request for Application (RFA)'s list of research priorities in Fall 2020. (Note: The Parent RFA is the main funding opportunity announcement VA investigators apply to for research funding.)

In addition, the Clinical Science Research & Development (CSR&D) Service has a long-standing focus on research on pain mechanisms and treatment alternatives to opioids, and health-risk behaviors (e.g., substance use, addictive disorders) as priority areas in their parent Merit RFA.

Lastly, both the Basic Laboratory Research & Development (BLR&D) and Rehabilitation Research & Development Services have mutual interest on the relationship between Traumatic Brain Injury (TBI) and substance/opioid misuse. This special emphasis area is included in the parent Merit RFAs for both services.

In summary, all of ORD's services have demonstrated commitment to placing substance/opioid use disorders as an area of high priority in funding opportunity announcements in the hopes of stimulating the field to develop, test and implement novel strategies towards the treatment of SUD. As VHA continues to reduce excessive reliance on opioid medication, VA will maintain efforts in 2022 on pain-management research in areas responsive to the Jason Simcakoski Memorial and Promise Act and the President's Commission on Combating Drug Addiction and the Opioid Crisis. Towards this goal, VA identified the following areas to invest in:

- Non-pharmaceutical strategies for painful conditions: VA will continue to test and develop novel non-pharmaceutical strategies for painful conditions including cognitive behavioral therapy (CBT), traditional complementary and integrative health approaches (e.g., yoga, Tai-chi, and activity-based therapies), device-based (e.g., electrical stimulation), and even cell therapies for musculoskeletal conditions.
- Safer medications to treat pain: VA will continue to focus research on understanding the benefits and risks of non-opioid medications for pain management and alleviation. An example is targeting mutations in sodium and other ion channels which have been shown to cause pain associated with phantom limb pain, corneal neuralgia, chemotherapy-induced pain, diabetes, small fiber neuropathy, erythromelalgia, and burns.
- Develop and test technologies providing access to treatment for chronic pain and opioid misuse: VA is testing the use of telehealth, smart-apps, web- and phone-based technology to provide outreach and care to Veterans living in rural areas. These interventions include peer coaching, treatment for OUD, provision of biobehavioral approaches, as well as establishing best practices for delivery of care using these modalities.

Specialized Function	Obligations (Millions)	Drug Control Related Percent	FTE
Research & Development	\$25.418	N/A	N/A

3. Methodology Modifications – In accordance with the guidance provided in the Office of National Drug Control Policy's letter of September 7, 2004, VA's methodology for calculating Substance Abuse Treatment Costs only incorporates Specialized Treatment costs and does not take into consideration Other Related Treatment costs. Drug control methodology detailed in A.1 was the actual methodology used to generate the Resource Summary (page 19).

4. Material Weaknesses or Other Findings – CliftonLarsonAllen LLP provided an unmodified opinion on VA's FY 2021 consolidated financial statements. They identified three material weaknesses, two significant deficiencies, and certain conditions regarding noncompliance with laws and regulations. The material weaknesses relate to: 1) Controls over Significant Accounting Estimates (Repeat); 2) Financial Systems and Reporting (Repeat); and 3) Information Technology (IT) Security Controls (Repeat). Also, CLA identified two significant deficiencies, which were previously reported as material weaknesses in FY 2020. The two significant deficiencies are: 1) Obligations, Undelivered Orders (UDOs), and Accrued Expenses; and 2) Entity Level Controls including CFO Organizational Structure. Reducing these material weaknesses to significant deficiencies is a major VA/VHA accomplishment.

The conditions regarding noncompliance with laws and regulations include findings of noncompliance in: a) Federal Financial Management Improvement Act (FFMIA) (repeat comment); b) Federal Managers' Financial Integrity Act (FMFIA) (repeat comment); c) Noncompliance with 38 USC 5315 -collection of interest on debt owed by Veterans to VBA (repeat comment); d) Anti-deficiency Act (repeat comment); e) Payment Integrity Information Act (PIIA) for FY 2020, as reported by the Office of Inspector General (repeat comment).

5. Reprogrammings or Transfers – There were no reprogramming of funds or transfers that adjusted drug control-related funding because drug control expenditures are reported based on patients served in various VA clinical settings for specialized substance abuse treatment programs.
6. Other Disclosures – This budget accounts for drug control-related costs for VHA Medical Care and Research. It does not include all drug-related costs for the agency. VA incurs costs related to accounting and security of narcotics and other controlled substances and costs of law enforcement related to illegal drug activity; however, these costs are assumed to be relatively small and would not have a material effect on the reported costs.

B. Assertions

1. Obligations by Budget Decision Unit – VA asserts that the obligations reported by budget decision unit are the actual obligations from VA's accounting system and are consistent with the application of the approved methodology as required by ONDCP Circular, Budget Formulation, dated September 9, 2021.
2. Drug Methodology – VA asserts that the methodology used to calculate FY 2021 drug control obligations by function and budget decision unit is reasonable and accurate based on the criteria set forth in the ONDCP Circular, Budget Formulation, dated September 9, 2021.
3. Application of Methodology – VA asserts the methodology described in Section A.2 above was used to prepare the obligations contained in this report.
4. Material Weaknesses or Other Finding – VA asserts that all material weaknesses or finding by independent sources, or other known weaknesses have been disclosed.
5. Methodology Modifications – VA asserts no modifications were made to methodology for reporting drug control resources.
6. Reprogrammings or Transfers – VA asserts no changes were made to VA's Financial Plan that required ONDCP approval per the ONDCP Circular, Budget Execution, dated September 9, 2021.
7. Fund Control Notices – The data presented are associated with obligations against a financial plan that was based upon a methodology in accordance with all Fund Control Notices issued by the Director under 21 U.S.C. §1703 (f) and Section 9 of the ONDCP Circular, Budget Execution, dated September 9, 2021.

Subj: Statement of Disclosures and Assertions for FY 2021 Drug Control Obligations Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2021

/s/ digitally signed by Rachel Mitchell on December 19, 2021

Laura Duke
Chief Financial Officer
VHA Office of Finance (104)

Date

/s/ digitally signed on December 17, 2021

Jeff Nechanicky
Associate Chief Financial Officer
Resource Management (104B)

Date

/s/ digitally signed on December 16, 2021

Charles Stepanek
Director of Budget Services
Resource Management (104B)

Date

Department of Veterans Affairs
 Resource Summary
 Obligations (In Millions)

	2021 Actual ¹
Medical Care:	
Specialized Treatment	
Inpatient	\$365.952
Outpatient	\$378.263
Residential Rehabilitation & Treatment	\$229.434
Specialized Treatment	\$973.649
Medical & Prosthetics Research:	
Research & Development	\$25.418
Drug Control Resources by Function & Decision Unit, Total	\$999.067
Drug Control Resources Personnel Summary	
Total FTE	3,098
Total VHA Enacted Appropriations ²	\$108,932
Drug Control Percentage	0.92%
Total VA Enacted Appropriations ³	\$265,034
Drug Control Percentage	0.38%

¹Numbers may not add due to rounding

²Includes VHA Medical Care Appropriations and Medical and Prosthetic Research Appropriation account, including supplemental appropriations only.

³Includes all VA appropriations, including supplemental appropriations.

For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.

Attachment 2: Budget Formulation Compliance Report

Statement of Disclosures and Assertions for FY 2023 Budget Formulation Compliance Report Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2021

In accordance with ONDCP's Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the Veterans Health Administration asserts that the VHA system of accounting, use of obligations, and systems of internal controls provide reasonable assurance that:

Obligations are based upon the actual expenditures as reported by the Decision Support System (DSS), which is the designated Managerial Cost Accounting (MCA) System of the Department of Veterans Affairs.

The methodology used to calculate obligations of budgetary resources is reasonable and accurate in all material respects and as described herein was the actual methodology used to generate the costs.

Accounting changes are as shown in the disclosures that follow.

DEPARTMENT OF VETERANS AFFAIRS
 VETERANS HEALTH ADMINISTRATION
 Annual Budget Formulation Compliance Report of ONDCP Funds

BUDGET FORMULATION COMPLIANCE REPORT

A. Summer Budget Information

1. Summer Budget Transmittal – Summer drug budget was submitted to ONDCP on August 2, 2021 in accordance with ONDCP Circular, Budget Formulation, Section 9.a (1), dated September 9, 2021.

2. Resource Summary Table

	Budget Authority (in Millions)			
	FY 2020 Actuals	FY 2021 Current Estimate	FY 2022 Request	FY 2023 Request
Drug Resources by Budget Decision Unit /1				
Medical Care	\$835.571	\$868.158	\$909.830	
Medical & Prosthetic Research	19.320	\$20.000	20.000	
Total Funding	\$854.891	\$888.158	\$929.830	
Drug Resources by Budget Function				
Treatment	\$835.571	\$868.158	\$909.830	
Research and Development	19.320	\$20.000	20.000	
Total Funding	\$854.891	\$888.158	\$929.830	
Drug Resources Personnel Summary				
Total FTEs (direct only)	3,284	3,345	3,407	
Drug Resources as a Percent of Budget				
Total Agency Budget (in billions) /2	\$100.673	\$109.386	\$102.382	
Drug Resources Percentage	.85%	0.81%	0.91%	

1/ VA does not have a discrete ONDCP appropriation; VA forecasts obligations anticipated to support substances use disorder treatment programs, including opioid use disorder treatment programs, for Veterans.

2/ Agency budget for FY 2021 includes appropriation provided under P.L. 117-2, American Rescue Plan. Agency budget estimates are not final and subject to change following the budget appropriations process.

PROGRAM SUMMARY

MISSION

The Veterans Health Administration's (VHA) mission statement is "Honor America's Veterans by providing exceptional care that improves their health and well-being." Care for Veterans with mental illnesses and substance use disorders is an important part of overall health care.

The goal of VHA's Office of Mental Health and Suicide Prevention (OMHSP) is to provide effective, safe, efficient, recovery-oriented, and compassionate care for those with substance use disorders and mental illness, those who are vulnerable to substance use disorders (SUD) and those who are in continuing care to sustain recovery.

METHODOLOGY

Costs that are scored as drug-related include those associated with any treatment when a primary diagnosis of drug use disorder is documented including treatment administered in a general medical or general mental health setting. Estimates are based on specific patient encounters and include all inpatient and outpatient episodes of care either provided by VHA staff or purchased in the community. All encounters have an associated diagnosis. The primary diagnosis is considered the reason the patient is being treated and is used to determine whether the treatment provided is drug use disorder treatment and which type of drug use disorder. It should be noted that prescriptions and lab tests do not have linkages to a specific diagnosis and are not included in the report.

The cost of VHA provided services is calculated by the Managerial Cost Accounting (MCA) System of the Department of Veterans Affairs (VA). MCA cost data is used at all levels of the VA for important functions, such as cost recovery (billing), budgeting and resource allocation. Additionally, the system contains a rich repository of clinical information, which is used to promote a more proactive approach to the care of high risk (i.e., diabetes and acute coronary patients) and high-cost patients. VA MCA data is also used to calculate and measure the productivity of physicians and other care providers.

The basic unit of MCA cost is the product. For VHA a product can range from a prescription fill made through a mail-out pharmacy, to an outpatient dental exam, to a bed-day of care in an Intensive Care Unit. Every product that is delivered is fully costed. This means that all direct labor, direct supply and associated indirect costs (to include local and national overhead costs) are applied. Once they are fully costed, products are then assigned to the applicable patient encounter.

MCA costs are the basis for the obligations displayed in the ONDCP report. The Allocation Resource Center (ARC) develops ARC cost, which is computed by taking the MCA cost and removing the non-patient specific costs, such as Operating costs for Headquarters, Veterans Integrated Service Network (VISN) Support, National Programs, and Capital and State Home costs, and adding in the community care payments.

BUDGET SUMMARY



¹ FY 2023 estimates based on FY 2020 actuals. Updated estimates based on FY 2021 actuals will be included in the FY 2023 ONDCP Detailed Accounting Submission.

The Uniform Mental Health Services Handbook, approved by the Under Secretary for Health (USH) on September 11, 2008, specifies SUD services that must be made available to all Veterans in need of them. The Handbook commits VA to providing SUD treatment services to every eligible Veteran regardless of where he or she lives. To further enhance access to SUD treatment, clinics offering these services must offer extended clinic hours during the week and on weekends and all facilities must provide same-day access for emergent need for SUD treatment.

In FY 2020, 243,254 Veterans who received services within VHA were diagnosed with a drug use disorder. Of these Veterans, VHA provided services by mental health clinicians in a variety of outpatient settings to nearly 82 percent (198,444) of Veterans with any diagnosis of a drug use disorder. Among Veterans receiving treatment within VHA in FY 2020, approximately 16 percent (39,240) used amphetamines, around 27 percent (65,717) used cocaine, around 28 percent (68,174) used opioids, and around 52 percent (127,671) used cannabis. (These categories are not mutually exclusive.)

Data for FY 2020 reflect a decline in utilization of VHA services by Veterans experiencing substance use concerns believed to be related to the pandemic. The decrease in the number of Veterans with a SUD diagnoses served is not believed to be reflective of a change in demand for SUD services. VHA moved rapidly to ensure sustainment of treatment services, rapidly transitioning SUD specialty services to telehealth platforms. VHA also worked closely with the Substance Abuse and Mental Health Services Administration (SAMHSA) to ensure continued access to medications for the treatment of opioid use disorder (M-OD). In reviewing available data on utilization of SUD specialty services, Veterans are gradually re-engaging with SUD services. Since the start of the pandemic, VHA has seen a significant increase in the utilization of telehealth (telephone only and audio/visual) to support provision of SUD specialty treatment with the overall number of telehealth SUD specialty encounters increasing from slightly more than 12,000 in October 2019 to slightly more than 108,000 in October 2020.

As requested, VHA is exploring available data that would allow for more precise information related to Veteran requests for SUD treatment and subsequent engagement in care. At the current time, this information is not available. Development of SUD specific content for the new electronic health record is continuing with the expectation that this information will be available in the future.



Expanding Access to Evidence-Based Treatment

VHA SUD Service Care Delivery

National policy and expectations for the management of SUD within VHA is guided by VHA Handbook 1160.04 and the VA / Department of Defense (DoD) Clinical Practice Guidelines for the Management of SUD (<http://www.healthquality.va.gov/>). VHA is a leader in the prevention and treatment of SUD and uses a stepped care approach to SUD treatment. Patients with at-risk alcohol use or the least severe SUDs may be treated with evidence-based brief interventions and/or medical management in primary care or general mental health. For those with more severe disorders, specialty SUD treatment programs provide intensive services including withdrawal management, evidence-based psychosocial treatments, SUD medication, case management and relapse prevention. As an integrated healthcare system, VHA is uniquely situated to address the needs of Veterans diagnosed with a SUD, including providing supports to address co-occurring medical, mental health, and psychosocial needs (e.g., housing, employment).

Treatment for SUD occurs across settings and with policy defining expectations for access to SUD treatment, including expectations for access through Community Based Outpatient Clinics (CBOC) and Health Care Centers (HCC).

VHA also continues to improve service delivery and efficiency by integrating services for mental health disorders, including SUD, into primary care settings. Veterans from Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn/Operation Inherent Resolve (OEF/OIF/OND/OIR) and Veterans from other eras are served in primary care teams (Patient Aligned Care Teams: PACTs) that have co-located mental health staff to identify and address potential mental health and substance use treatment needs. Secondary prevention services include diagnosis and assessment of possible substance use disorders in patients presenting medical problems that suggest elevated risk of substance use disorders (e.g., treatment for Hepatitis C, prescribed opioid medications). Recognizing the importance of team-based care, VHA is implementing the Behavioral Health Interdisciplinary Program – Collaborative Chronic Care Model (BHIP-CCM) at every VHA facility. Implementation of BHIP – CCM teams within general mental health further supports VA's commitment to providing access to chronic disease management and treatment for substance use disorders beyond specialty SUD treatment settings.

Most Veterans with substance use disorders are treated in outpatient programs. Outpatient withdrawal management is available for patients who are medically stable and who have sufficient social support systems to monitor their status. Standard outpatient programs typically treat patients one or two hours per session and patients are generally seen once or twice a week. Intensive SUD outpatient programs provide at least three hours of service per day and patients attend three or more days per week.

Considering the frequent co-occurrence of substance use disorders with posttraumatic stress disorder, VHA has also assigned a SUD specialist to each of its hospital-level posttraumatic stress disorder services or teams. The staff person is an integral member of the posttraumatic stress disorder clinical services team and works to integrate substance use disorder care with all other aspects of posttraumatic stress disorder-related care. Among the specialists' responsibilities are identification and treatment of Veterans with co-occurring SUD and posttraumatic stress disorder. Specialists also promote preventive services for Veterans with posttraumatic stress disorder who are at risk for developing a substance use disorder.

VHA provides two types of 24-hour care to patients with severe, complex, or acute substance use disorders. These include inpatient withdrawal management and stabilization in numerous medical and general mental health units and provision of care in Mental Health Residential Rehabilitation Treatment Programs (otherwise referred to as Domiciliary beds). VHA offers care in Mental Health Residential Rehabilitation Treatment Programs (MH RRTPs) to Veterans with complex, co-occurring mental health, substance use, medical, and psychosocial needs. Specialty Domiciliary SUD programs provide treatment equivalent to Level 3.7, Medically Monitored Intensive Inpatient Services as specified by the American Society of Addiction Medicine Patient Placement Criteria. At the end of FY 2020, 68 Domiciliary SUD programs were in operation with more than 1,800 beds focused specifically on intensive, medically monitored residential SUD treatment. In addition to those MH RRTPs formally designated as Domiciliary SUD programs, additional SUD specialized services are offered through tracks in other MH RRTPs and the majority of Veterans served by MH RRTPs are diagnosed with a substance use disorder.

Programs to end homelessness among Veterans are encouraged to have SUD specialists as a part of their multidisciplinary teams. There are SUD specialists working in the Department of Housing and Urban Development – VA Supportive Housing (HUD-VASH), Grant and Per Diem (GPD) and the Health Care for Homeless Veterans (HCHV) programs; however, the use of SUD specialists can vary locally based on site-specific needs.

These specialists emphasize early identification of substance use disorders as a risk for maintaining permanent housing, promote engagement or re-engagement in SUD specialty care programs and serve as linkages between homeless and SUD programs.

Methamphetamine

VA recognizes the emerging threat that methamphetamine poses to our nation's Veterans. Specific data on the rates of methamphetamine use disorder are not available. However, the overall rates of amphetamine use disorder have been increasing over the past several years. The number of Veterans who received care for amphetamine use disorder decreased somewhat due to the pandemic with 39,240 Veterans who received care in VHA during FY 2020 having an amphetamine use disorder diagnosis. VA's commitment to provision of evidence-based treatment has positioned VA well to respond to this emerging threat. Contingency Management (CM) is an evidence-based treatment with demonstrated efficacy in treating stimulant use disorder. VHA implemented CM in 2011, and through September 2020, VHA has provided contingency management services to over 5,400 Veterans with over 92 percent of the greater than 7,000 urine samples testing negative for the target drug(s) (e.g., stimulants or cannabis). In January 2022, VHA plans to launch a stimulant safety initiative that will include a focus on expanding access to evidence-based practice such as CM and Cognitive Behavioral Therapy (CBT) for Veterans with stimulant use disorder.

Opioid Use Disorder

Slightly more than 68,100 Veterans with an opioid use disorder (OUD) diagnosis were seen in VHA in FY 2020. Medication for OUD (M-OUD) has historically been provided in SUD specialty-care clinics, but a significant number of Veterans with clinically diagnosed OUD do not access SUD specialty care. By disseminating evidence-based models for delivery of M-OUD in primary care, mental health, and pain management clinics, Veterans are expected to have timely access to the right treatment at their preferred point of care. VHA launched the Stepped Care for Opioid Use Disorder Train the Trainer (SCOUTT) initiative in August 2018 with the intent of supporting the expansion of M-OUD in level 1 clinics (primary care, general mental health and pain management clinics). Phase 1 sites in each VISN implemented this expansion during FY 2019. From August 2018 through September 2020 there was a 136 percent increase in the number of patients receiving buprenorphine in the initial Phase 1 level One clinics and 163 percent increase in the number of providers prescribing buprenorphine in these clinics. Further, Veterans are being retained in care with 71 percent of Veterans retained on buprenorphine for more than 90 days. A National Virtual SCOUTT conference for Phase 1 sites took place in September 2020 with over 300 attendees. Phase 2 of the SCOUTT initiative was launched in FY 2020 and three regional conferences occurred in April 2021 attracting over 500 participants. Phase 2 teams from new facilities in each VISN are now implementing efforts. Further, the infrastructure developed to support the SCOUTT initiative also supports efforts by facilities across the country to expand access to MOUD in level 1 clinics with a 51 percent increase in the number of Veterans receiving buprenorphine in any level 1 clinic between August 2018 and September 2020 and an 82 percent increase in the number of providers prescribing buprenorphine in those clinics.

In FY 2020, evidence-based M-OUD, including office-based treatment with buprenorphine and extended-release injectable naltrexone, was accessible to patients seen at 100 percent of VHA medical centers. VHA operates federally regulated opioid treatment programs that can provide methadone maintenance on-site at 33 larger urban locations and at a growing number of VHA facilities that maintain contractual arrangements or arrange non-VA care for providing care through community-based licensed opioid treatment programs. VHA continues to expand the availability of M-OUD for Veterans. VA monitors the percent of patients with OUD who receive M-OUD (44.4 percent during FY 2020) as part of the Psychotropic Drug Safety Initiative (PDSI).

PDSI is a nationwide psychopharmacology quality improvement (QI) program that supports facility-level QI through quarterly quality metrics, clinical decision support tools, technical assistance for QI strategic implementation, and a virtual learning collaborative. Since 4th quarter FY 2019, VA has seen a 4 percent increase in the number of Veterans that received M-ODU (total of 27,571, 4 FY 2020).

The number of providers with a Drug Enforcement Administration (DEA) X-waiver have also continued to increase since the 4th quarter FY 2019 with over 5,500 providers who have written any prescription issued to the VHA pharmacy (VA employed and community providers serving Veterans) in September 2020 holding an X-Waiver. This reflects an increase of 27 percent from the same time point in FY 2019. VA has realized that it will be critical to go beyond providers obtaining a waiver that allows them to prescribe buprenorphine. The number of providers with a DEA X-waiver that prescribed buprenorphine during FY 2020 was significantly lower than the number of providers with an X-waiver with only 24 percent of those providers with an X-waiver issuing a prescription for buprenorphine in September 2020. While the number of providers is increasing, VA is focusing efforts to remove barriers to prescribing and to support the initiation of buprenorphine when indicated. VHA Notice 2019-18, Buprenorphine Prescribing for Opioid Use Disorder was published in October 2019 and re-issued in September 2020 by the Undersecretary with the intent of clarifying national policy and tasking facilities to remove potential barriers to prescribing if present. In January of 2021, in an effort to reduce prescribing barriers, VHA also removed the requirement for written consent to provide buprenorphine for the treatment of opioid use disorder. In addition, in July 2020, VA formalized efforts to provide training to support efforts to ensure that all providers eligible to obtain an X-waiver had access to the training utilizing primarily an 8 hour half and half (4 hours online and 4 hours live training) for physicians and a 24 hour training model for eligible non-physician prescribing providers. Between July 2020 and July 2021 VA offered trainings with over 525 providers trained. Given the changes in training requirements for providers treating 30 or less patients put forward with the new SAMHSA Buprenorphine Guidelines in April 2021, additional trainings are being planned to include the addition of shorter focused trainings for providers and other interdisciplinary staff who support M-ODU. VA has also started offering "office hour" sessions for M-ODU treatment consultation with SMEs where providers can discuss cases and ask question of subject matter experts (SMEs) in live sessions as well as continuing consultation via e-mail through the VHA "Ask the Expert Program" and direct live patient consultation through the National TeleMental Health Center. VHA also recognizes the importance of capturing more detailed information on providers most likely to prescribe buprenorphine for OUD and has developed tools that will allow for improved understanding of availability of X-waivered providers by practice setting.

In support of interprofessional team-based models of care, VA is leveraging Clinical Pharmacy Specialist (CPS) providers to deliver comprehensive medication management services and improve Veteran access to SUD care. In partnership with the VA Office of Rural Health, the VA Pharmacy Benefits Management (PBM) Clinical Pharmacy Practice Office launched a nationwide initiative in FY 2020 to expand the CPS provider workforce focused on SUD care. Since initiation, 51 VA facilities have been awarded funding to hire 64 CPS providers across Mental Health, Pain Management, Primary Care and Specialty Care settings with a focus of expanding access to OUD and alcohol use disorder (AUD) care for rural Veterans. As part of this project, three regional train the trainer clinical pharmacy boot camps were held virtually in June and July 2020 and trained 234 VA-CPS providers in OUD and AUD care. The training focused on advancing CPS provider practice in SUD care and risk mitigation across level 1 clinics, in alignment with the SCOUTT initiative and offered subsequent office hours to further support CPS practice growth in SUD care. All boot camp participants completed 24-hour DEA X-waiver training prior to the boot camp in anticipation that future legislation may include pharmacist practitioners as potential providers of buprenorphine-based therapy, furthering access to M-ODU.

As of the 4th quarter FY 2020, 141 VA CPS providers are routinely delivering OUD care with 32,566 encounters in FY 2020. This represents a 35.6 percent growth in CPS provider practice in OUD care delivery since the implementation of the SCOUTT initiative; significant CPS practice growth in SUD care is expected in FY 2021.

Advancing racial equity and diversity in our approach to drug policy

In June 2021 VHA brought together a workgroup to better understand gender/ethnic/racial, Lesbian Gay Bisexual Transgender Questioning and others (LGBTQ+) SUD healthcare disparities in VHA with the goal of piloting target interventions for the largest gaps in FY 2022 and then based on the results of these pilots disseminating best practices to the field in FY 2023.

Mental Health residential treatment services, including SUD residential services for women Veterans are available in every VISN. Across the residential programs that serve women Veterans, 70% offer gender specific mental health services and 56% offer a separate, secure wing or unit for women Veterans. For those women Veterans requesting a residential program for women Veterans only, there are currently 11 programs that serve as national resources available to meet that need. Five of the women-only programs provide intensive specialty treatment for substance use. Further, about 37 percent of VA facilities offer women-only outpatient SUD or PTSD-SUD treatment, and all of VA facilities offer individual SUD or SUD-PTSD treatment for women Veterans. Finally, VA is developing at least 2 additional women only residential SUD treatment programs that will serve as national referral resources for women Veterans.

Enhancing evidence-based harm reduction efforts

Opioid Safety Initiative²

VHA continues to pursue a comprehensive strategy to promote safe prescribing of opioids when indicated for effective pain management. The purpose of the Opioid Safety Initiative (OSI) is to ensure pain management is addressed thoughtfully, compassionately, and safely to make the totality of opioid use visible at all levels in the organization. Based on comparisons of national data between the quarter beginning in Quarter 4, FY 2012 (beginning in July 2012) to Quarter 4, FY 2020 (ending in September 2020), many aspects of the OSI continue to show positive results. Despite an increase of 230,286 Veterans who were dispensed any medication from a VHA pharmacy, 349,388 fewer Veterans were on long-term opioids. The average dose of selected opioids has continued to decline as 58,123 fewer patients were receiving morphine equivalent daily doses greater than or equal to 90 milligrams, demonstrating that prescribing and consumption behaviors are changing. The desired results of OSI have been achieved during a time that VHA has seen a 5.8 percent increase in Veterans that have utilized VHA outpatient pharmacy services.

Chronic pain is a national public health problem as outlined in the 2011 study by the Institute of Medicine (IOM). At least 100 million Americans suffer from some form of chronic pain.

² FY 2022 Annual Budget Submission, Vol. II, Medical Programs and Information Technology Programs for additional detail for additional budget detail and estimates on VA's Opioid Safety Initiative, including VA's efforts to address P.L. 114-198, title IX, the Jason Simcakoski Memorial and Promise Act.

The IOM study describes in detail many concerns of pain management, including system-wide deficits in the training of our Nation's health care professionals in pain management and substance use disorders prevention and management, and the problems caused by a fragmented health care system. The over-use and misuse of opioids for pain management in the United States is a consequence of a health care system that until recently was less than fully prepared to respond to these challenges.

VHA has identified and broadly responded to the many challenges of pain management through policies supporting clinical monitoring, education and training of health professionals and teams, and expansion of clinical resources and programs. VHA's Pain Management Directive defines and describes policy expectations and responsibilities for the overall National Pain Management Strategy and Stepped Care pain model, which is evidence-based and has been adopted by the DoD as well. Our approach to managing opioid over-use fits into this plan, and the VA has employed broad strategies to address the opioid epidemic: education, pain management, risk mitigation, and addiction treatment. First, VHA addressed the problem of clinically inappropriate high-dose prescribing of opioids through the VA's national program, OSI. Second, VHA developed an effective system of interdisciplinary, patient-aligned pain management with the competency to provide safe and effective pain control and quality of life for Veterans for the remainder of their lives.

VHA has reduced the reliance on opioid medication for pain management by more than 60 percent since 2012, largely by starting fewer patients newly on long-term opioid therapy and by offering pain care options that are safer and more effective in the long run. The majority of the decline in VHA opioid prescriptions is not due to Veterans "getting by" with fewer opioids, but by following a Stepped Care Model for Pain treatment addressing the causes of pain with fewer Veterans requiring the initiation of long-term opioid therapy. VHA has been recognized by many as a leader in the pain management field for the responsible use of opioids. Notably, VHA has organized many types of interdisciplinary pain care teams to help with medication safety, patient education, pain schools, cognitive behavioral therapy and helping patients transition from a biomedical to a biopsychosocial model of pain care. As VHA continues its efforts to address opioid over-use, non-opioid treatments and complementary and integrative medicine treatments (such as massage therapy, yoga, meditation, occupational therapy, physical therapy, recreational therapy, acupuncture, tai chi, etc.) are an important component to VHA's Pain Management Strategy.

To further strengthen OSI and keep this trend moving in the right direction, VHA has deployed state-of-the-art tools to help protect Veteran patients using high doses of opioids or with medical risk factors that put them at an increased risk of complications from opioid medications including overdose. These tools, referred to as the Opioid Therapy Risk Report (OTRR) and the Stratification Tool for Opioid Risk Mitigation (STORM), are available to all clinical staff in the VHA. These tools include information about the dosages of narcotics and other sedative medications, significant medical problems that could contribute to an adverse reaction and monitoring data to aid in the review and management of complex patients. The OTRR allows VHA providers to review all pertinent clinical data related to pain treatment in one place, providing a comprehensive Veteran-centered and more efficient level of management not previously available to primary care providers. The STORM allows VHA providers to view information about risk factors for opioid overdose, suicide-related events and other harms and recommends patient-specific risk mitigation strategies. Both tools are part of VHA's broader efforts to prevent opioid overdose deaths. To address overdose and suicide risk, VHA required that patients identified as very high risk per the STORM predictive model receive a case review by an interdisciplinary team including pain, addiction and mental health expertise. Preliminary findings from a randomized policy evaluation of this new clinical program found that patients targeted for case review had lower rates of all-cause mortality and medical record documented adverse events, such as motor vehicle accidents and overdose.

Additionally, VHA has formalized a system-wide Academic Detailing program that is in process of being implemented throughout the organization. Academic Detailing provides specialty teams to visit facilities and provide on-site support and education to providers to further enhance pain management efforts. The Academic Detailing program is another important step to improve mental health, substance use disorder, and pain management medication therapy across all VHA medical centers. As of September 30, 2020, academic detailers (specially trained VA Pharmacists) have held 61,627 outreach visits related to Opioid Safety, Overdose Education and Naloxone Distribution, opioid use disorder, and suicide prevention.

As VHA continues its efforts to address opioid over-use, complementary and integrative medicine treatments are an important component to VHA's Pain Management Strategy. VHA currently offers many complementary and integrative medicine treatments, many of which may be useful in chronic pain. These treatments include acupressure, acupuncture, biofeedback, chiropractic services, exercise, heated pool therapy, hypnosis/hypnotherapy, massage therapy, meditation, occupational therapy, physical therapy, recreational therapy, relaxation, tai chi, transcutaneous electrical nerve stimulation, yoga and other services.

VHA has several other programs that are complementary to the Opioid Safety Initiative and include:

- State Prescription Drug Monitoring Programs (PDMP): 49 States, the District of Columbia, and Puerto Rico are activated for VA data transmission. From Quarter 3, Fiscal Year 2013 (ending in June 2013) to Quarter 4, Fiscal Year 2020 (ending September 2020), VA providers have documented over 7.9 million queries to State Prescription Drug Monitoring Programs to help guide treatment decisions.
- Medication Take-Back Program: VA offers free medication take back services to Veterans through mail-back envelopes and on-site receptacles compliant with Drug Enforcement Administration (DEA) regulations. As of September 30, 2020, Veterans have returned over 203.5 tons of unwanted or unneeded medication using these services.

Opioid Overdose Education and Naloxone Distribution

The VA Opioid Overdose Education and Naloxone Distribution (OEND) program aims to decrease opioid-related overdose deaths among VHA patients by providing education on opioid overdose prevention, recognition of opioid overdose, and training on the rescue response, including provision of naloxone. All three Food and Drug Administration (FDA)-approved forms of naloxone (injectable, nasal spray and auto-injector) that the FDA states can be considered as options for community distribution were added to the VA National Formulary as soon as they were available. The nasal spray formulation is currently available through every VHA facility. VHA assembled injectable (intramuscular) naloxone kits as part of its initial OEND program. These were replaced by the auto-injector—specifically designed for layperson use—when that formulation became available. However, the auto-injector was abruptly discontinued by the pharmaceutical manufacturer on September 30, 2020. In response, VHA is currently working on re-assembling the injectable (intramuscular) naloxone kits. VHA recommends offering OEND to Veterans prescribed or using opioids who are at increased risk for opioid overdose or whose provider deems it clinically indicated. Academic Detailing has promoted OEND through individualized, evidence-based educational outreach visits and consultation for clinicians by clinicians.

In July 2016, Congress took the important step of eliminating copayment requirements for opioid antagonists (e.g., naloxone) furnished to Veterans at high risk for overdose and for education on their use (per P. L. 114-98, title IX, the Jason Simcakoski Memorial and Promise Act). This change has been implemented throughout VHA and a proposed rule has been published in the Federal Register to amend two of VA's copayment regulations, 38 CFR 17.108 and 17.110, to accurately implement these changes into law. The proposed rule also defines who VA considers to be at high risk for overdose.

This definition will assist in the implementation of the public law and to facilitate the identification of such Veterans. Early identification of these Veterans can facilitate provision of lifesaving opioid antagonist medication. Since implementation of the OEND program in 2014, over 28,100 VHA prescribers, representing all VHA facilities, have prescribed naloxone, and more than 450,000 naloxone prescriptions have been dispensed to over 254,800 Veterans (as of the end of September 2020). Through the end of FY 2020, as documented through spontaneous reporting of overdose reversal events as well as through the national note, over 1,500 overdose reversals with naloxone have been reported.

In an effort to ensure timely access to naloxone for emergency responding, VHA launched the Rapid Naloxone Initiative in September 2018 consisting of three elements: (1) OEND to VHA patients at-risk for opioid overdose, (2) VHA Police Naloxone, and (3) Automated External Defibrillator (AED) Cabinet Naloxone. As documented through spontaneous reporting of overdose reversal events as well as through a national medical record note, over 1,500 overdose reversals with naloxone have been reported through FY 2020. In 2018 VHA dispensed a naloxone prescription for 1 in 5 patients on high dose opioids, as compared to 1 in 69 patients in the private sector.

Finally, as part of the broader OEND effort, VHA has established a community of practice for sharing innovative and promising practices which has included discussion of post-overdose engagement in treatment. Materials developed in support of the OEND initiative also are available to Veterans, their family members, and the broader public. During FY 2019, VHA implemented a process for documenting accidental and severe adverse effect overdoses as a component of suicide prevention efforts. Implementation of the Suicide Behavior and Overdose Report (SBOR) note template provides a foundation for VHA to implement strategies designed specifically to engage Veterans in timely treatment following a non-fatal overdose (opioid and non-opioid related). During FY 2021, VHA plans to build on that foundation to require use of the SBOR with a focus on continuing efforts to improvement post-overdose engagement in care.

Syringe Service Programs

In May of 2021 the Assistant Under Secretary for Clinical Services issued interim guidance on Syringe Services Programs (SSPs) recommending that VA medical Centers develop SSPs or otherwise ensure Veterans enrolled in VHA care have access to SSPs where such programs are not prohibited under state, county, or local law. In addition to providing access to sterile needles, syringes and other supplies, SSPs facilitate safe disposal of used syringes and provide the opportunity to link to other important services and programs such as OEND, screening and treatment for viral hepatitis and HIV, screening for sexually transmitted infections and referral to social, mental health, and other medical services. VHA is currently in the process of drafting a directive supporting the establishment of SSPs in VHA Medical Centers.

Post-Overdose Assessment and Care Planning

As past non-fatal overdoses increase the risk of future overdose events, it is anticipated that in August 2021, facilities will be required to provide an interdisciplinary overdose review utilizing a standard note that guides appropriate treatment planning. This will align the required processes for reporting non-fatal overdoses with the already required reporting and post-event treatment interventions for Veterans who make a suicide attempt. The initiative will require a national medical record note template designed to standardize and streamline the process of overdose reporting across VHA, enhance the visibility of accidental overdoses within the Veteran's medical record, improve clinical care after the suicide/overdose event, and facilitate real-time tracking of overdose event data, for use in clinical decision support tools and local/national aggregate reporting needs.

Advancing recovery-ready workplaces and expanding the addiction workforce / Expanding access to recovery support services.

Implementation of the FY 2022 SUD budget will focus on expanding the addiction workforce and advancing the recover-ready workplace as well as access to recovery services through:

- Expanding the addiction workforce to support residential and general SUD care delivery (including funding for new SUD providers in our General Mental Health Clinics, Primary Care-Mental Health Integration Programs and through the addition of telehealth providers in our Clinical Resource Hubs)
- Enhancing employment opportunities for Veterans in recovery by funding SUD specific supported employment staff at VA Medical Centers
- Increasing Peer Support Services by increasing the number of SUD-Specific Peer Specialists at VA Medical Centers.

Other Initiatives

Veterans Justice Programs³

The Uniform Mental Health Services Handbook affirmed that “Police encounters and pre-trial court proceedings are often missed opportunities to connect Veterans with VA mental health services as a negotiated alternative to incarceration or other criminal sanctions.” VA medical centers provide outreach to justice-involved Veterans in the communities they serve.

VA services for justice-involved Veterans are provided through two dedicated national programs, both prevention-oriented components of VA’s Homeless Programs: Health Care for Reentry Veterans (HCRV) and Veterans Justice Outreach (VJO). Known collectively as the Veterans Justice Programs (VJP), HCRV and VJO facilitate access to needed VA health care and other services for Veterans at all stages of the criminal justice process, from initial contact with law enforcement through community reentry following extended incarceration.

HCRV Specialists provide outreach to Veterans approaching release from state and Federal prisons. They briefly assess reentry Veterans’ probable treatment needs, help Veterans plan to access responsive services upon release, and provide post-release follow-up as needed to ensure that Veterans are engaged with needed services. Most HCRV Specialists are based at VA medical centers, but they typically serve Veterans across a large area, often conducting outreach to prison facilities in at least one entire state, and sometimes an entire VISN.

VJO Specialists serve Veterans at earlier stages of the criminal justice process, with a three-pronged focus on outreach to community law enforcement, jails, and courts. VJO Specialists at each VA medical center work with Veterans in the local criminal courts (including but not limited to the Veterans Treatment Courts, or VTCs), conduct outreach in local jails, and engage with local law enforcement by delivering VA-focused training sessions and other informational presentations. Each VA medical center has at least one VJO Specialist, who serves as a liaison between VA and the local criminal justice system.

³ Please see VA’s FY 2022 Annual Budget Submission, Vol. II, Medical Programs and Information Technology Programs for additional budget detail and estimates on VA’s Veterans Homelessness Programs, including VA’s Justice Outreach Programs.


Public Law 115-240, The Veterans Treatment Court Improvement Act of 2018, signed September 17, 2018, required VA to hire 50 new Veterans Justice Outreach Specialists to serve in VTCs, in addition to their other outreach duties. VA medical centers have filled all of these positions, as well as an additional 15 added in FY 2020.

Veterans who are seen by HCRV and VJO Specialists access VA mental health and substance use treatment at high rates. Most Veterans seen in the VJO program have a mental health (77 percent) or substance use disorder (71 percent) diagnosis, or both (58 percent). Within one year of their VJO outreach visit, 97 percent of Veterans with mental health diagnoses had had at least one VHA mental health visit, and 78 percent had at least six visits. Within the same timeframe, 72 percent of Veterans with substance use disorder diagnoses had had at least one VHA substance use disorder visit, and 54 percent had had at least six. Veterans seen by HCRV Specialists have a similar profile, with 56 percent with a mental health diagnosis, 55 percent with a substance use disorder diagnosis and 39 percent with both. Veterans in HCRV access VA care at high rates, but slightly lower than those in VJO with 93 percent of those with a mental health diagnosis having at least one visit, and 64 percent having at least six visits. For those with a substance use disorder, 57 percent had at least one visit, and 37 percent had at least six. Improving access to treatment and care for this segment of the Veteran population is in direct alignment with the identified agency goals.

In communities where justice programs relevant to Veterans exist (Veterans courts, drug courts, mental health courts, and police crisis intervention teams), VA has taken the initiative in building working relationships to ensure that eligible justice-involved Veterans get needed care. In communities where no such programs exist, VA has reached out to potential justice system partners (judges, prosecutors, police, and jail administrators) to connect eligible justice-involved Veterans with needed VA services including addiction treatment. VJO specialists currently serve Veterans in 561 Veterans Treatment Courts and other Veteran-focused courts, with more planned. Their duties in a Veterans Treatment Court include linkage to VHA treatment services. In communities without Veterans Treatment Courts, VA medical centers have established relationships with a range of justice system and community partners, including police and sheriffs' departments, local jail administrators, judges, prosecutors, public defenders, probation officers, and community mental health providers.

Collaboration with Federal Partners

VHA is committed to working collaboratively with other Federal Partners in support of the National Drug Control Strategy and will continue to share insights of VHA efforts and input into the national drug strategy agenda to address SUD care with ONDCP and other interagency partners. With the support of ONDCP, VHA provided an update on VHA peer support services through a webinar in September 2020. Furthermore, VHA is working collaboratively with the Indian Health Service and the Department of Defense on joint training opportunities in the SUD lane including overdose prevention, opioid safety and evidence-based SUD practice. VHA also recently worked with Health and Human Services in FY 2020 to provide access for staff from Indian Health Services and the Bureau of Prisons to join the Clinical Pharmacy Boot Camps to support expansion of SUD services supported by Clinical Pharmacy Specialists with 32 Public Health Service partners participating in this virtual program. VHA is currently working collaboratively with the Department of Defense (DoD) to share lessons learned across the agencies to support access to M-ODU, particularly for transitioning service members.



VHA research supports the generation of new knowledge to improve prevention, diagnosis, and treatment of substance use disorders (e.g., opioids, alcohol, tobacco, cocaine, methamphetamine, etc.), as well as the development and testing of innovative, non-opioid approaches for chronic pain management for Veterans. The VA patient population has experienced many of the problems of at-risk opioid and addiction that have made this a major clinical and public health issue in the U.S. Opioids are used to treat pain, but they are associated with dangerous side effects including depressed breathing, cognitive impairment, and the potential for addiction. Second State of the Art (SOTA) Conference on Effective Management of Pain and Addiction: Strategies to Improve Opioid Safety was held on September 11-12, 2019. This conference focused on three areas: 1) Managing OUD, 2) Long Term Opioid Therapy and Tapering; and 3) Substance Use Disorder and Pain. Findings from the SOTA will be published in an upcoming supplemental issue to the Journal of General Internal Medicine and will include reporting consensus on existing evidence for managing opioid use disorder, tapering of long-term opioid therapy for pain when risk outweighs benefit, and co-occurring pain and substance use disorder. In accordance with goals identified in the SOTA, VA's Health Services Research and Development (HSR&D) released a new research solicitation in Fall 2020 that will fund focused research to inform, improve, and/or implement evidence-based practices to improve opioids safety and management of OUD. This research solicitation adheres to cross-cutting principles aimed at expanding our understanding of care for older Veterans, developing more effective strategies for reducing racial and ethnic disparities, and examining the effects of the COVID-19 pandemic in the treatment and management of pain and OUD. The solicitation will focus research on numerous priority areas including:

- a) Implementation of evidence-based medications for opioid use disorder (M-OUD)
- b) Identification and development of appropriate and successful strategies for opioid tapering and discontinuation
- c) Examination of the potential role of buprenorphine/naloxone and non-pharmacological interventions in managing pain in patients with a history of OUD
- d) Development of more effective approaches to monitor patient outcomes for guiding treatment
- e) Development of new approaches for sustaining patient engagement in treatment including use of telehealth platforms
- f) Study of the management of acute pain among patients on M-OUD, including issues in emergency department care and best practices involving patients with acute pain who are at risk for relapse

Further, in recognition of the rising rates of stimulant use disorder and stimulant overdoses across the country and within the VA, HSR&D also added research on stimulant use disorder to its parent RFA's list of research priorities in Fall 2020, indicating HSR&D's commitment to supporting emerging partner needs.

As VHA continues to reduce excessive reliance on opiate medication, VA will maintain efforts in 2022 on pain-management research in areas responsive to the Jason Simcakoski Memorial and Promise Act and the President's Commission on Combating Drug Addiction and the Opioid Crisis. Towards this goal, VA identified the following areas to invest in:

- Non-pharmaceutical strategies for painful conditions: VA will continue to test and develop novel non-pharmaceutical strategies for painful conditions including traditional complementary and integrative health approaches (e.g. yoga, Tai-chi, and activity-based therapies), device-based (e.g., electrical stimulation), and even cell therapies for musculoskeletal conditions.

- Safer medications to treat pain: VA will continue to focus research on understanding the benefits and risks of non-opioid medications for pain management and alleviation. An example is targeting mutations in sodium channels which have been shown to cause pain associated with diabetes, small fiber neuropathy, erythromelalgia, and burns.
- Develop and test technologies providing access to treatment for chronic pain and opioid misuse: VA is testing the use of telehealth, smart-apps, web- and phone-based technology to provide outreach and care to Veterans living in rural areas. These interventions include peer coaching, treatment for OUD, provision of biobehavioral approaches, as well as establishing best practices for delivery of care using these modalities.

B. Assertions

1. Timeliness of Summer Budget Submission – VA asserts that the FY 2023 summer drug budget was submitted to ONDCP on the date provided in Section A.1 (page 2) based on the criteria set forth in the ONDCP Circular, Budget Formulation, dated September 9, 2021 and was provided to ONDCP at the same time as the budget request was submitted to superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).
2. Funding Levels – VA asserts the estimated obligations by Budget Decision Unit represent the funding levels in the budget submission made to the Department without alteration or adjustment by any official at the Department. A correction has been made in this report and subsequent to the Summer Budget Submission Resource Summary Table in the 2022 Revised Request Column Drug Resources by Budget Function Total Funding Level from “\$29.830” to “929.830.”

/s/ Digitally signed by Rachel Mitchell on December 16, 2021

Laura Duke

Date

Chief Financial Officer

VHA Office of Finance (104)

/s/ Digitally signed on December 14, 2021

Jeff Nechanicky

Date

Associate Chief Financial Officer

Resource Management (104B)

/s/ Digitally signed on December 14, 2021

Charles Stepanek

Date

Director of Budget Services

Resource Management (104B)

For accessibility, the original format of this appendix has been modified to comply with Section 508 of the Rehabilitation Act of 1973, as amended.

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Tab P



UNITED STATES POSTAL INSPECTION SERVICE

CONTRABAND INTERDICTION & INVESTIGATIONS

MEMORANDUM TO: Director
Office of National Drug Control Policy

FROM: Dan Adame
Assistant Inspector in Charge
United States Postal Inspection Service

Daniel A. Adame
Digitally signed by Daniel A. Adame
Date: 2022.02.22 12:33:11 -05'00'

DATE: February 18, 2022

SUBJECT: United States Postal Inspection Service
Budget Formulation Compliance Report for FY 2023

Drug Control Funding Obligations

FY 2021 Funding by Decision Unit (\$ millions)		
Decision Unit	FY 2021 Budget Authority	FY 2021 Obligations
CI2 Personnel Expenses	\$71,788,265	\$71,788,265
Asset Forfeiture Fund Expenditures	5,421,666	5,421,666
CI2 Nonpersonnel Expenses	447,901	447,901
CI2 Personnel Expenses	4,666,268	4,666,268
CI2 Capital Expenses	995,812	995,812
Total	\$83,319,912	\$83,319,912

FY 2021 Funding by Drug Control Function (\$ millions)		
Decision Unit	FY 2021 Budget Authority	FY 2021 Obligations
Investigations	\$83,319,912	\$83,319,912

Drug Methodology

The Inspection Service estimates the total number of work hours related to counter-drug efforts based on an assessment of total hours within the last two fiscal years. The

estimated funding is level based on the amount of work hours, CI2 operating expenses, CI2 capital expenses, Asset Forfeiture Fund expenditures, and CI2 nonpersonnel expenses.

Methodology Modifications

N/A

Material Weaknesses or Other Findings

N/A

Reprogrammings or Transfers

N/A

Other Disclosures

N/A

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, I make the following assertions regarding the attached Detailed Accounting Report:

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are actual expenditures from the United States Postal Inspection Service (USPIS) financial accounting system for the Contraband Interdiction & Investigations (CI2) program.

Drug Methodology

I assert that the drug methodology used to calculate obligations of budget resources was reasonable and accurate in accordance with the criteria listed in Section 7.b.(2) of the Circular. In accordance with these criteria, I have documented data, which support the drug methodology, explained and documented estimation methods and determined that the financial and programmatic systems supporting the drug methodology, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

Application of Drug Methodology

I assert that the drug methodology disclosed in this report was the actual methodology used to generate the table required by Section 7.a.(1) of the Circular.

Material Weakness or Other Findings

I assert that all material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) of the Circular have been disclosed.

Methodology Modifications

I assert that no modifications were made to the methodology for reporting drug control resources from the previous year's reporting.

Reprogramming or Transfers

I assert that the data presented are associated with obligations for USPIS CI2 financial plan. USPIS has no reportable reprogramming's or transfers in FY 2021 related to drug-control obligations.

Fund Control Notices

I assert that the data presented are associated with obligations against USPIS CI2's operating plan, which complied fully with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.