

# 2023 COMPLIANCE REVIEW REPORT

Office of National Drug Control Policy



April 2023

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## Introduction

### Background

This Summary presents for Congress the *2023 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)<sup>1</sup>:

(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.<sup>2</sup> 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 guidance<sup>3</sup> 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 Department of Defense (DoD), Department of Health and Human Services (DHHS), Department

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

<sup>2</sup> 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.

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

of Homeland Security (DHS), and the Departments of Justice (DoJ) elected to conduct an attestation review for the fiscal year ending September 30, 2022.

### **Department Compliance and Attestation Reviews**

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 next year's reports.

The Appalachian Regional Commission is a newly designated National Drug Control Program Agency and will begin reporting their drug-related programs in next year's report.

## FY 2022 Summary Table of Agency Compliance

	<u>Budget Formulation Compliance Report</u>		<u>Detailed Accounting Report</u>		<u>OIG Authentication</u>		
	<u>Provided Required Formulation Information</u>	<u>Management Assertions Compliant with ONDCP Circular</u>	<u>Provided Required Accounting Information</u>	<u>Management Assertions Compliant with ONDCP Circular</u>	<u>Did the OIG complete a review of the Budget Formulation Compliance Report?</u>	<u>OIG Determination of Formulation Assertion</u>	<u>OIG Determination of Detailed Accounting Report?</u>
<b>Department of Agriculture</b>							
Office of Rural Development	Full	Medium	Full	Full	No	Not Required	Not Required
US Forest Service	Full	Medium	Full	Full	No	Not Required	Not Required
<b>AmeriCorps</b>	Not Required	Not Required	Full	Full	No	Not Required	Not Required
<b>CSOSA</b>	Not Required	Not Required	Full	Full	No	Not Required	Not Required
<b>Department of Defense</b>							
USD (Policy)/DASD (CN&SP)	Not Required	Medium	Full	Full	Yes	Reasonable	Reasonable
USD (Policy)/Defense Security Cooperation Agency	Not Required	Medium	Full	Full	Yes	Can't Determine	Can't Determine
USD(Personnel and Readiness)/Defense Health	Not Required	Medium	Full	Full	Yes	Reasonable	Reasonable
<b>Department of Education</b>							
Office of Elementary and Secondary Education	Not Required	No Assertion	Full	Full	No	Not Required	Not Required
<b>Department of Health and Human Services</b>							
Administration for Children and Families	Full	Full	Full	Full	No	Not Required	Not Required
Centers for Disease Control and Prevention	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Centers of Medicare and Medicaid Services	Full	Full	Full	Medium	No	Not Required	Not Required
Food and Drug Administration	Low	Full	Medium	Full	Yes	Reasonable	Reasonable
Health Resources and Service Administration	Full	Full	Full	Full	No	Not Required	Not Required
Indian Health Service	Full	Full	Full	Full	No	Not Required	Not Required
National Institutes of Health - NIDA/NIAAA	Full	Full	Full	Medium	Yes	Reasonable	Reasonable
Substance use And Mental Health Services Administration	Full	Full	Full	Full	No	Not Required	Not Required
<b>Department of Housing and Urban Development</b>							
Community Planning and Development	Full	Full	Full	Full	Yes	Reasonable	Reasonable
<b>Department of Homeland Security</b>							
Customs and Border Protection	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Federal Emergency Management Agency	Full	Full	Full	Full	No	Not Required	Not Required
Federal Law Enforcement Training Center	Full	Full	Full	Full	No	Not Required	Not Required
Immigration and Customs Enforcement	Full	Full	Full	Full	No	Not Required	Not Required
United States Coast Guard	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Science and Technology Directorate	Full	Full	Full	Full	No	Not Required	Not Required
<b>Department of the Interior</b>							
Bureau of Indian Affairs	Full	Full	Full	Full	No	Not Required	Not Required
Bureau of Land Management	Full	Full	Full	Full	No	Not Required	Not Required
National Park Service	Full	Full	Full	Full	No	Not Required	Not Required
<b>Department of Justice</b>							
Asset Forfeiture Fund	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Bureau of Prisons	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Criminal Division	Medium	Full	Full	Full	No	Not Required	Not Required
Drug Enforcement Administration	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Organized Crime Drug Enforcement Task Forces	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Office of Justice Programs	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
U.S. Attorneys	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
U.S. Marshals Service	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Federal Bureau of Investigation	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Bureau of Alcohol, Tobacco, Firearms and Explosives	Medium	Full	Full	Full	No	Not Required	Not Required
<b>Department of Labor</b>							
Employment and Training Administration	Full	Full	Full	Full	No	Not Required	Not Required
Office of Workers' Compensation Programs	Full	Full	Full	Full	No	Not Required	Not Required
Office of Disability Employment Policy	Full	Full	Full	Full	No	Not Required	Not Required
Employee Benefits Security Administration	Full	Full	Full	Full	No	Not Required	Not Required
Office of Inspector General	Full	Full	Full	Full	No	Not Required	Not Required
<b>Department of State</b>							
Bureau of International Narcotics and Law Enforcement Aff.	Full	Full	Full	Medium			
United States Agency for International Development	Medium	Medium	Full	Medium	No	Not Required	Not Required
<b>Department of Transportation</b>							
National Highway Traffic Safety Administration	Full	Full	Full	Full	No	Not Required	Not Required
Federal Aviation Administration	Full	Full	Full	Full	No	Not Required	Not Required
<b>Department of the Treasury</b>							
Internal Revenue Service	Full	Full	Full	Full	No	Not Required	Not Required
FinCEN	Full	Full	Full	Full	No	Not Required	Not Required
OFAC	Low	Medium	Medium	Medium	No	Not Required	Not Required
<b>Department of Veterans Affairs</b>							
Veterans Health Administration	Full	Full	Full	Medium	No	Not Required	Not Required
<b>US Postal Inspection Service</b>	Full	Full	Full	Full	No	Not Required	Not Required

## Summary of Agency Reports

### Department of Agriculture - Partial Compliance\_(Tab A)

USDA did not satisfy all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report.

#### BFCR

USDA Forest Service (FS) was assessed as having medium-level compliance for the Budget Formulation Compliance Report assertions. The summer budget was submitted to ONDCP on July 22, 2022 which was after the budget request was submitted to USDA leadership on July 8, 2022 which is not in compliance with the ONDCP circular.

USDA Office of Rural Development (ORD) was assessed as having medium-level compliance for the Budget Formulation Compliance Report assertions. The summer budget was submitted to ONDCP on September 13, 2022 which was after the budget request was submitted to USDA Office of Budget and Program Analysis on August 30, 2022 which is not in compliance with the ONDCP circular.

#### DAR

USDA Forest Service and ORD are both assessed as having full compliance for the Detailed Accounting Report.

### OIG – Partial Compliance

Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The Budget Formulation Compliance Report shall be reviewed with the same frequency and at the same time as the Detailed Accounting Report.

The ONDCP did not receive a USDA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for USDA FS fell below the reporting threshold of \$50 million; therefore, ONDCP granted the FS an exemption from the Inspector General Authentication review. While USDA ORD did not request an exemption from Inspector General Authentication review, they do fall below the \$50 million reporting threshold. However, since an exemption has not been requested in the past three years, ONDCP will work with the USDA Office of the Inspector General to schedule a review.

### AmeriCorps - Partial Compliance\_(Tab B)

#### BFCR

AmeriCorps satisfied all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. AmeriCorps disclosed to ONDCP that AmeriCorps did not carry out an internal budget formulation process for FY 2022, under which AmeriCorps developed or submitted a budget request; therefore, AmeriCorps did not submit a summer budget to ONDCP.

## **DAR**

AmeriCorps was assessed as being in full compliance with the Detailed Accounting Report data and assertion reporting requirements.

## **OIG**

Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The Budget Formulation Compliance Report shall be reviewed with the same frequency and at the same time as the Detailed Accounting Report.

The funding levels for AmeriCorps fell below the reporting threshold of \$50 million; therefore, ONDCP granted the AmeriCorps request for an exemption from the Inspector General Authentication review.

## **Court Services and Offender Supervision Agency** – Full Compliance (Tab C)

Court Services and Offender Supervision Agency (CSOSA) satisfied all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report.

## **Department of Defense** - Partial Compliance (Tab D)

The Department of Defense (DoD) did not satisfy all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. The Department of Defense disclosed to ONDCP that the Department did not carry out an internal budget formulation process for FY 2022, under which Department developed or submitted a budget request; therefore, the Department did not submit a summer budget to ONDCP.

## **BFCR**

The DoD was assessed as being in medium compliance with the Budget Formulation Compliance Report data and assertion reporting requirements. The Defense Security Cooperation Agency (DSCA), Defense Health Agency (DHA), and Undersecretary of Defense for Policy (for the Drug Interdiction & Counter Drug Activities appropriation) did not submit summer budgets to ONDCP in FY 2022.

## **DAR**

The DoD was assessed as being in full compliance with the Detailed Accounting Report data and assertion reporting requirements.



## **OIG**

Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The Budget Formulation Compliance Report shall be reviewed with the same frequency and at the same time as the Detailed Accounting Report.

The ONDCP did receive a DoD Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report.

The DoD did not fully satisfy the requirements. The DoD Inspector General was unable to authenticate the DSCA FY 2022 detailed accounting submission due to the lack of a timely submission by DSCA.

### **Department of Education** - Partial Compliance (Tab E)

The Department of Education (Education) did not satisfy all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. Education disclosed to ONDCP that the Department did not carry out an internal budget formulation process for FY 2022, under which the Department developed or submitted a budget request; therefore, the Department did not submit a summer budget to ONDCP.

### **BFCR**

Education was assessed as being in full compliance with the Budget Formulation Compliance Report data and assertion reporting requirements. Education did not submit a summer budget to ONDCP in FY 2022.

### **DAR**

Education was assessed as being in full compliance with the Detailed Accounting Report data and assertion reporting requirements.

The Department reported the following limitation in the methodology for deriving the obligations of FY 2022 drug control funds attributable to the School Safety National Activities program, stating that not all obligations of funds support drug prevention activities and that some of these funds support violence prevention and school safety activities that have no drug control-related nexus.

Education also reported that while there were no reprogrammings or transfers of Department of Education drug control funds in FY 2022, subsequent to the Department submitting its FY 2022 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 \$1.3 million, from \$59.718 million (as estimated in the financial plan) to the final amount of \$58.459 million.

## **OIG**

Education fully satisfied the requirements. Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The Budget Formulation Compliance Report shall be reviewed with the same frequency and at the same time as the Detailed Accounting Report.

The ONDCP last received a Department of Education Inspector General report in 2020 for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report.

### **Department of Health and Human Services** - (Tab F)

The Department of Health and Human Services' (HHS) FY 2023 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), Food and Drug Administration (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 Disorders (NIAAA) and National Institute on Drugs and Addiction (NIDA), and the Substance use And Mental Health Services Administration (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.

Information is provided below with regard to each HHS agency.

**ACF:** ACF was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for ACF fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

**CDC:** CDC was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The HHS Inspector General provided reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**CMS:** CMS was assessed as being in full compliance with the Budget Formulation Compliance Report data and assertion reporting requirements. CMS was assessed as having medium-level compliance for the Detailed Accounting Report. CMS did not provide an assertion on their financial systems under their management assertions however, CMS does not have financial systems but rather uses data systems to inform their methodology. ONDCP did not receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2022.

**FDA:** FDA was assessed as having low-level compliance for the Budget Formulation Compliance Report. FDA did not provide their Summer Budget resource summary table. FDA was assessed as having medium-level compliance for the Detailed Accounting Report. FDA's obligation table was not broken down by individual drug control function. ONDCP did receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The HHS Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**HRSA:** HRSA was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did not receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2021.

**IHS:** IHS was assessed as being in full compliance as requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did not receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2021.

**NIAAA:** NIAAA was assessed as being in full compliance with the Budget Formulation Compliance Report data and assertion reporting requirements. NIAAA was assessed as having medium-level compliance for the Detailed Accounting Report. NIAAA failed to make assertions on material weaknesses or other findings and methodology modifications. ONDCP did receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The HHS Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**NIDA:** NIDA was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The HHS Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**SAMHSA:** SAMHSA was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did not receive an HHS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2021.

### **Department of Housing and Urban Development - Full Compliance (Tab G)**

The Department of Housing and Urban Development's (HUD) satisfied all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did receive a HUD Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The HUD Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

### **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:** Customs and Border Protection was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did receive a CBP Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The CBP Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**FEMA:** Federal Emergency Management Agency was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and for the Detailed Accounting Report. ONDCP did not receive a FEMA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for FEMA fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

**FLETC:** Federal Law Enforcement Training Centers was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did not receive a FLETC Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for FLETC fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

**ICE:** U.S. Immigration and Customs Enforcement was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did not receive an ICE Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed

Accounting Report. Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years, the ICE OIG last reviewed in 2022.

**USCG:** United States Coast Guard was assessed as being in full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did receive a USCG Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The USCG Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**S&T:** Science and Technology Directorate was assessed as being in full compliance for the Budget Formulation Compliance Report. S&T was assessed as being in full compliance for The Detailed Accounting Report, although the Data and Assertions information is conflated. The funding levels for S&T fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

### **Department of the Interior** - Partial Compliance\_(Tab I)

The Department of Interior's BFCR and DAR includes separate reports for Bureau of Indian Affairs (BIA), the Bureau of Land Management (BLM), and National Park Service (NPS). The funding level for these bureaus' FY 2023 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 was assessed as being in full compliance for the Budget Formulation Compliance Report and for the Detailed Accounting Report. ONDCP did not receive a BIA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for BIA fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

**BLM:** BLM was assessed as being in full compliance for the Budget Formulation Compliance Report and for the Detailed Accounting Report. ONDCP did not receive a BLM Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for BLM fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

**NPS:** NPS was assessed as being in full compliance for the Budget Formulation Compliance Report and for the Detailed Accounting Report. ONDCP did not receive a NPS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for NPS fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

## **Department of Justice** - (Tab J)

The Department of Justice BFCR and DAR includes separate reports for the Assets Forfeiture Fund (AFF), Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), Criminal Division (CRM), Drug Enforcement Administration (DEA), Bureau of Prisons (BOP), Federal Bureau of Investigation (FBI), 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:** AFF was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. AFF satisfied all other requirements for the Detailed Accounting Report. The ONDCP did receive a AFF Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**ATF:** ATF was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. ATF satisfied all other requirements for the Detailed Accounting Report. The funding level for ATF fell below the reporting threshold of \$50 million and ATF requested an unreasonable burden exception for the Inspector General (IG) Authentication Review. ONDCP granted ATF an exemption from the IG Authentication review.

**BOP:** BOP was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. BOP was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive a BOP Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**CRM:** CRM was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. CRM was assessed full compliance for the Detailed Accounting Report. The funding level for CRM fell below the reporting threshold of \$50 million and CRM requested an unreasonable burden exception for the Inspector General (IG) Authentication Review. ONDCP granted CRM an exemption from the IG Authentication review.

**DEA:** DEA was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. DEA was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive a DEA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**OCDETF:** OCDETF was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. OCDETF was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive an OCDETF Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**OJP:** OJP was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. OJP was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive an OJP Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**USA:** USA was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. USA was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive an USA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**OCDETF:** OCDETF was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. OCDETF was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive an OCDETF Inspector General report for the purpose of

expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.

**USMS:** The USMS was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The Management Assertion Statement indicated that the summer drug budget for drug control agencies was submitted to ONDCP on June 28, 2022 and the Department received the budget requests from its components on June 9 – 23, 2022. The USMS was assessed full compliance for the Detailed Accounting Report. The ONDCP did receive an USMS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The DOJ Inspector General provided a reasonable assurance to the Budget Formulation Compliance Report and the Detailed Accounting Report submitted to ONDCP.



## **Department of Labor - Full Compliance** (Tab K)

The Department of Labor submitted a report for five agencies: Employment and Training Administration, Office of Workers' Compensation Programs, Office of Inspector General, Employee Benefits Security Administration, and the Office of Disability Employment Policy. The Department of Labor (Labor) fully satisfied all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report.

## **OIG**

Labor fully satisfied the requirements. Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The Budget Formulation Compliance Report shall be reviewed with the same frequency and at the same time as the Detailed Accounting Report.

The ONDCP did not receive a Department of Labor Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for Labor fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

## **Department of State and Other International Programs - Partial Compliance** (Tab L)

Department of State's (DOS) Bureau of International Narcotics and Law Enforcement Affairs (INL) and the United States Agency for International Development (USAID) each provided a BFR and DAR.

**INL:** INL was assessed as being in full compliance with the Budget Formulation Compliance Report data and assertion reporting requirements. INL was assessed as having medium-level compliance for the Detailed Accounting Report assertions. INL failed to inform ONDCP of several reprogrammings but will continue to work with ONDCP in the future to ensure ONDCP has a chance to review. INL was assessed full compliance for the detailed accounting report data. ONDCP did not receive a DOS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2021.

**USAID:** USAID was assessed as having medium-level compliance for the Budget Formulation Compliance Report. The summer budget transmittal date and an assertion for funding levels representing the bureau-level request are missing from the report. USAID was assessed as having medium-level compliance for the Detailed Accounting Report assertions and was assessed full compliance for the Detailed Accounting Report data. There were significant deficiencies identified in USAID's internal control over financial reporting. ONDCP did not receive a DOS Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2022.

## **Department of Transportation** - Full Compliance\_(Tab M)

The Department of Transportation included separate reports for the Federal Aviation Administration (FAA) and the National Highway Traffic Safety Administration (NHTSA). The FAA and NHTSA satisfied all requirements established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. ONDCP did not receive an NHTSA or FAA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The funding levels for NHTSA and FAA fell below the reporting threshold of \$50 million; therefore, ONDCP granted an exemption from the Inspector General Authentication review.

## **Department of the Treasury** - Partial Compliance (Tab N)

The Department of Treasury section includes separate BFCR and DAR reports for the Internal Revenue Service Criminal Investigation (IRSCI), the Financial Crimes Enforcement Network (FinCEN), and the Office of Foreign Assets Control (OFAC).

**IRSCI:** IRSCI was assessed full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. ONDCP did not receive a DOT Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2022.

**OFAC:** OFAC was assessed as having low-level compliance for the Budget Formulation Compliance Report. The summer budget was not provided to ONDCP at the same time it was provided to the Departmental Budget Office; the summer budget was provided at a later time. OFAC was assessed as having medium-level compliance for the Budget Formulation Compliance Report Management Assertions. OFAC did not submit the summer budget to ONDCP in a timely manner. OFAC was assessed as having medium-level compliance for the Detailed Accounting Report. OFAC stated that ONDCP was informed of the methodology change. The ONDCP Circular: Budget Formulation (September 9, 2021) requires that “once initially established, any material modification to a drug methodology must be submitted to ONDCP for review and approval before it can be implemented.” ONDCP will work with OFAC and TFI to ensure that all requirements are met for next year’s report. Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The funding levels for OFAC fell below the reporting threshold of \$50 million and OFAC requested an unreasonable burden exception. ONDCP granted OFAC an exemption from the Inspector General Authentication review.

**FinCEN:** FinCEN was assessed full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the agency Inspector General shall conduct an attestation review not less frequently than every 3 years. The funding levels for FinCEN fell below the reporting threshold of \$50 million and FinCEN requested an unreasonable burden exception. ONDCP granted FinCEN an exemption from the Inspector General Authentication review.

**Department of Veterans Affairs** - Partial Compliance\_(Tab O)

The Department of Veterans Affairs' (VA) Veterans Health Administration (VHA) was assessed as being in full compliance with the Budget Formulation Compliance Report data and assertion reporting requirements. VA was assessed as having medium-level compliance for the Detailed Accounting Report. There were material weaknesses identified in the report on the VA's FY 2022 consolidated financial statements. ONDCP did not receive a VA Inspector General report for the purpose of expressing a conclusion about the reliability of each assertion regarding the Budget Formulation Compliance Report and the Detailed Accounting Report. The last OIG authentication was received in 2022.

**US Postal Inspection Service** - Full Compliance\_(Tab P)

The United States Postal Service (USPS) was assessed full compliance as established by 21 U.S.C. § 1704(d)(1) for the Budget Formulation Compliance Report and the Detailed Accounting Report. As a new ONDCP reporting agency in the 2022 report, USPS is not yet required to submit an attestation review. ONDCP will work with the USPS Inspector General to ensure that a review is conducted not less frequently than every three years.

TAB A

## ONDCP Assertions

### Budget Formulation Compliance Report: Assertions

#### Timeliness of Summer Budget Submission – [REDACTED]

[REDACTED] Rural Development affirms the accuracy of the information contained in the submission.

**Funding Levels Represent Bureau-Level Request** – The funding request in this 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.

Jeffrey S. Machelski  
Associate CFO – Budget and Policy

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MACHELSKI

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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 FY 2018 Farm Bill (FB) requires the Secretary to set aside at least 20 percent from the discretionary appropriations for the Distance Learning and Telemedicine (DLT) grant account funding for substance use disorder, unless the Secretary determines there are not sufficient qualified applicants to reach the 20 percent requirement. To ensure compliance, the required funding is set aside in the RD financial system. Other than the DLT funding, Rural Development did not receive any direct funding for this purpose in the 2022 annual appropriations. However, Rural Development also reports obligations for additional Rural Development financial assistance programs that are identified either by Type of Assistance (TOA) codes or by North America Industry Classification System (NAICS) codes identified by the program staff as part of the obligation.
- (2) Drug Methodology** – The drug methodology agreed with ONDCP was applied. The FB requires the Secretary to use 20 percent of the funding provided for the Distance Learning and Telemedicine program to support substance use disorder treatment services, unless it is determined there are not sufficient qualified applicants to reach the 20 percent requirement. In addition, the 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 FB provides authority for setting priority points for Community Facilities direct loans or grants 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

## ONDCP Assertions

and training in how to identify and treat individuals with substance use disorders. Projects that support substance use disorder prevention, treatment, or recovery may be eligible for other Rural Development financial assistance programs.

- (a) **Data** – The funding set aside made available by the 2018 FB is managed in the accounting system by using funding codes that the program staff uses when obligating funding. The methodology described is based on these funding codes defining the nature of the funding set aside and the obligations incurred against it. Rural Development obligation data also recognizes that other programs may fund projects related to substance use disorder and includes that data through the use of TOA codes and NAICS codes associated with the obligations.
- (b) **Financial Systems** – The methodology described above describes the relationship of decision units reported to ONDCP and the programs/activities as reported in the financial system. The data represent the obligations related to the 2018 FB 20 percent set aside along with any other projects funded by other Rural Development programs as identified by TOA codes and NAICS codes associated with the obligations.
- (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.
- (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 not modification of the methodology from prior year.
- (6) **Reprogramming or Transfers** – There were no reprogramming or transfers affecting the 2018 FB 20 percent set-aside 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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## ONDCP Assertions

	Budget Authority (Dollars in Millions)	
	FY 2021 Actual	FY 2022 Actual
<b>Drug Resources by Function</b>		
Treatment	\$21.30	\$0.23
<b>Total Drug Resources by Function</b>	<b>\$21.30</b>	<b>\$0.23</b>
<b>Drug Resources by Decision Unit</b>		
Distance Learning and Telemedicine Program	\$21.30	\$0.23
<b>Total Drug Resources by Decision Unit</b>	<b>\$21.30</b>	<b>\$0.23</b>



**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 July 22, 2022 which was after the budget request was submitted to USDA leadership on July 8, 2022 which is not in compliance with 21 U.S.C. § 1703(c)(1)(A).”

**Summer Drug Budget Resource Summary Table**

Drug Resources by Decision Unit and Function	Budget Authority (in millions)	
Decision Unit- LE Agency Support	FY 2021	FY 2022
Intelligence: Domestic Law Enforcement	\$0.200	\$0.200
Investigations	12.000	12.000
Prosecution	0.200	0.200
State and Local Assistance	0.600	0.600
Research: Domestic Law Enforcement	0	0
<b>Total Drug Resources by Unit/Function</b>	<b>\$13.000</b>	<b>\$13.000</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	56	56
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$5.4	\$5.7
Drug Resources Percentage	0.24%	0.23%

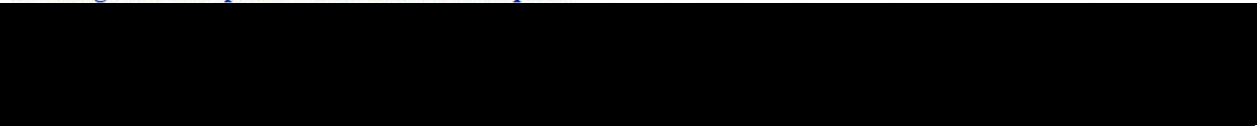
Note: Pending final budget formulation as of February 1, 2023.  
 FY 2022 data by decision unit are estimated allocations. FY 2022 total agency budget is FY 2022 enacted.

**Management Assertions**

**Timeliness of Summer Budget Submission**

The summer drug budget was submitted to the Office of National Drug Control Policy on July 22, 2022, by the U.S. Department of Agriculture on behalf of the Forest Service. The summer submission was submitted to USDA leadership on July 8, 2022 which is not in compliance with 21 U.S.C. § 1703(c)(1)(A).”

**Funding Levels Represent Bureau Level Request**





## 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 2022 Actuals	FY 2023 Enacted	
Intelligence: Domestic Law Enforcement*	0.000	0.000	
Investigations	12.000	12.000	
Prosecution	0.200	0.200	
State and Local Assistance	0.600	0.6000	
Research: Domestic Law Enforcement	0.200	0.200	
<b>Total Drug Resources by Unit/Function</b>	<b>\$13.000</b>	<b>\$13.000</b>	
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	56	56	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$5.5	\$5.4	
Drug Resources Percentage	0.2%	0.2%	

\* Correction from the Fall Budget submission, the dollar amounts listed for Intelligence: Domestic Law Enforcement should be \$0.00 and all associated dollar amounts should actually be listed under Research: Domestic Law Enforcement.

### 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 2017-FY 2021) where complete data is available.

### **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 .6 percent of the agency's overall budget. The Forest Service commits approximately \$13.52 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**



### **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.

Since 2014 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.

**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 \$13.52 million, a more in-depth analysis beyond this document creates an unreasonable burden and the Forest Service submits this alternate report and analysis.

TRACY PERRY  
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Date: 2023.02.28 14:39:30 -05'00'

February 28, 2023

[Name]  
Director  
U.S. Forest Service  
Law Enforcement and Investigations

Date

TAB B



**AmeriCorps**

# ONDCP AmeriCorps Compliance Review

February 1, 2023



## 6.a. Summer Budget Formulation Information

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### 6.a.1. Summer Drug Budget Transmittal

AmeriCorps was not required to submit a Summer Drug Budget in FY22.

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

AmeriCorps was not required to submit a Summer Drug Budget in FY22.

## 6.b. Assertions

### 6.b.1. Timeliness of Summer Budget Submission

AmeriCorps was not required to submit a Summer Drug Budget in FY22.

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

AmeriCorps was not required to submit a Summer Drug Budget in FY22.



## 7.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

AmeriCorps does not have a line item appropriation or standalone budget for opioid and substance prevention. Rather, the “Enacted” and “Request” columns in any ONDCP table submission were projections of how much we anticipated investing based on last year’s investment. The below table displays AmeriCorps’ actual investment for FY 2022.

	FY 2022 Actual <sup>1</sup>
<b>Drug Resources by Function<sup>2 3</sup></b>	
Prevention	\$13.05
Treatment <sup>4</sup>	\$6.11
Recovery	\$12.59
State & Local and Tribal Law Enforcement Assistance	\$0.09
<b>Total Funding by Function</b>	<b>\$31.84</b>
<b>Drug Resources by Decision Unit</b>	
AmeriCorps State & National	\$19.75
AmeriCorps Seniors	\$0.42
AmeriCorps VISTA	\$2.55
Public Health AmeriCorps	\$9.12
<b>Total Funding by Decision Unit</b>	<b>\$31.84</b>

<sup>1</sup> 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.

<sup>2</sup> The FY 2022 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.

<sup>3</sup> 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.

<sup>4</sup> 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. Dollar figures include full federal funding for projects focused on opioids and substance abuse activities and pro-rated federal funding amounts for projects in which a subset of members is focused on drug activities.

The AmeriCorps State and National FY 2022 opioid investment includes the total federal dollars awarded to the following AmeriCorps State and National grantees in FY 2022:

- 1) Awarded grantees or subgrantees for which AmeriCorps reviewers marked the opioid funding priority area in FY 2020 or FY 2021 and who continue to carry out opioid programming in FY 2022. This includes competitive grantees/subgrantees and 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 in FY 2020 or FY 2021 (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 opioid intervention as their primary service activity

The report counts partial federal dollars awarded to the following AmeriCorps State and National grantees in FY22:



- 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 2022 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 2022.

### *AmeriCorps Seniors*

For AmeriCorps Seniors, FY 2022 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 2022, we calculated the breakout of AmeriCorps Seniors' FY 2022 investment by function using the percentage distribution from the most recent manual review (FY 2021).

### *Public Health AmeriCorps (PHA)*

Public Health AmeriCorps (PHA) is a new initiative that funds grantees through AmeriCorps State and National. Since PHA did not have an opioid funding priority in 2022, the primary means of identifying PHA projects conducting opioid-related activities was to query those that selected "opioid/drug intervention" as a service activity for one



or more workplans. From there, the investment was calculated by multiplying the target Member Service Years (MSYs) for workplans with the opioid service activity by the project's cost per budgeted MSY.

To identify projects that are opioid-focused but that did not select the "opioid/drug intervention" service activity, we conducted a keyword search of project executive summaries. The narratives for these projects were reviewed to determine whether the project was sufficiently focused on opioids to merit partial or full inclusion.

Lastly all programs identified were reviewed and categorized into one or more of the following categories: prevention, recovery, or treatment. This will be used in future years as a baseline percentage distribution, similar to other AmeriCorps Programs.

### 7.a.3. Methodology Modifications

#### *AmeriCorps State & National*

Since the Opioid funding priority was removed and can no longer be used as an indicator for opioid programming in AmeriCorps State and National projects, we have updated the methodology to carry over any new/recompeting grants noted as having the reviewer-selected Priority Area of opioids as well as those projects that selected Healthy Futures as the Focus Area and Opioid/Drug Intervention as one of the Service Activities for the program in the Performance Measure Module. 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.

This updated process keeps reproducibility of our investment calculations a primary focus. However, 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 previous 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 funding breakout by function, since we did not complete a manual review of executive summaries and application content for FY 2022, we are using the average distribution by function from our FY 2020 opioid investment to estimate our FY 2022 investment by function.

### *AmeriCorps VISTA*

No changes were made to AmeriCorps VISTA methodology.

### *AmeriCorps Seniors*

No changes were made to AmeriCorps Seniors methodology.

### *Public Health AmeriCorps*

This is the first year reporting on Public Health AmeriCorps opioid investment and impact.

### **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:

[FY22 AmeriCorps Agency Management Report](#) (pg. 23)

### **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 2022 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 a few 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.

### 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 1, 2023

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

Dear Mr. Rice:

The Court Services and Offender Supervision Agency (CSOSA) is required by the 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 the 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's 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 2022 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 this report's reliability of the accounting and performance assertions. 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: 2023.02.01  
11:53:44 -05'00'

Richard S. Tischner  
Director

Enclosures

CSOSA Community Supervision Program Budget and Accounting Submission  
Assertions: dated January 30, 2023

CSOSA Pretrial Services Agency for the District of Columbia Budget,  
Accounting and Performance Reporting Submission / Assertions; dated  
February 1, 2023



January 30, 2023

Jon Rice  
Deputy Director, Office of Performance and  
Budget  
Office of National Drug Control Policy  
750 17<sup>th</sup> 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 2022 drug budget obligations reported by CSP to ONDCP on January 18, 2023 as part of CSOSA's FY 2024 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 2024 Drug Budget Summary (FY 2022 Resources)**

	<b>FY 2022 Final</b>
<b>Community Supervision Program</b>	
Prevention	\$8.903
Treatment	\$36.539
<b>SUB-TOTAL</b>	<b>\$45.443</b>

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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 2022-2026 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 - Recovery: 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 2022) 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 2022 financial statements by our independent auditing firm Harper, Rains, Knight & Company dated November 15, 2022. The independent auditor identified no material control weaknesses as part of the FY 2022 audit.

Re-programmings or Transfers:

CSOSA's FY 2022 Enacted (P.L. 117-103 dated 3/15/2022) contains re-programming criteria and thresholds. In FY 2022 there were no re-programmings or transfers that met or exceeded those contained in FY 2022 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 2022 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 12, 2022 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 2024 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 2024 budget request on September 12, 2022.

**CSP Fall Drug Budget (September 12, 2022)**

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 PB	
<b>Community Supervision Program</b>			
Prevention	\$10.138	\$10.132	
Treatment	\$37.832	\$37.801	
<b>SUB-TOTAL</b>	<b>\$47.970</b>	<b>\$47.933</b>	

Please let me know if you need additional information.

Sincerely,

**PAUL GIRARDO**

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Date: 2023.01.30 11:34:35 -05'00'

Paul Girardo  
Chief Financial Officer



**PRETRIAL SERVICES AGENCY for the DISTRICT OF COLUMBIA**

OFFICE OF FINANCE AND ADMINISTRATION

February 1, 2023

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

**Subject: FY 2022 ONDCP Compliance Reviews**

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*, please see 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 2022. PSA is one of two programs (Decision Units) within the CSOSA appropriation. Full compliance with this Circular constitutes an unreasonable reporting burden for PSA.

**Detailed Accounting Report**

Drug Control Obligations by Decision Unit and Function

The CSOSA appropriation does not have specific line items or programs for drug control activities. PSA's drug testing and treatment support activities correlate with ONDCP's Prevention and Treatment functions, respectively. The following table highlights the FY 2022 drug control budgetary resources by drug control function.

**Table 1. FY 2022 Drug Budget Summary**

(FY 2022 Actuals Resources in millions)	
<b>Drug Resources by Drug Control Function</b>	
Prevention	\$18.12
Treatment: Recovery	\$6.99
<b>Total Drug Resources by Function</b>	<b>\$25.10</b>
<b>Drug Resources Personnel Summary</b>	
<b>Total FTEs (direct only)</b>	<b>127</b>



## Drug Control Methodology

PSA's drug testing and treatment support activities are conducted by three offices:

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;
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 disorder treatment and services.

The major cost elements for the drug testing program include labor expenses for OPRT, OPRS, 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 our performance budget. PSA drug control resources are allocated based on percentage of time spent performing activities associated with the following FY 2022 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 schedule court appearances during the pendency of their cases.

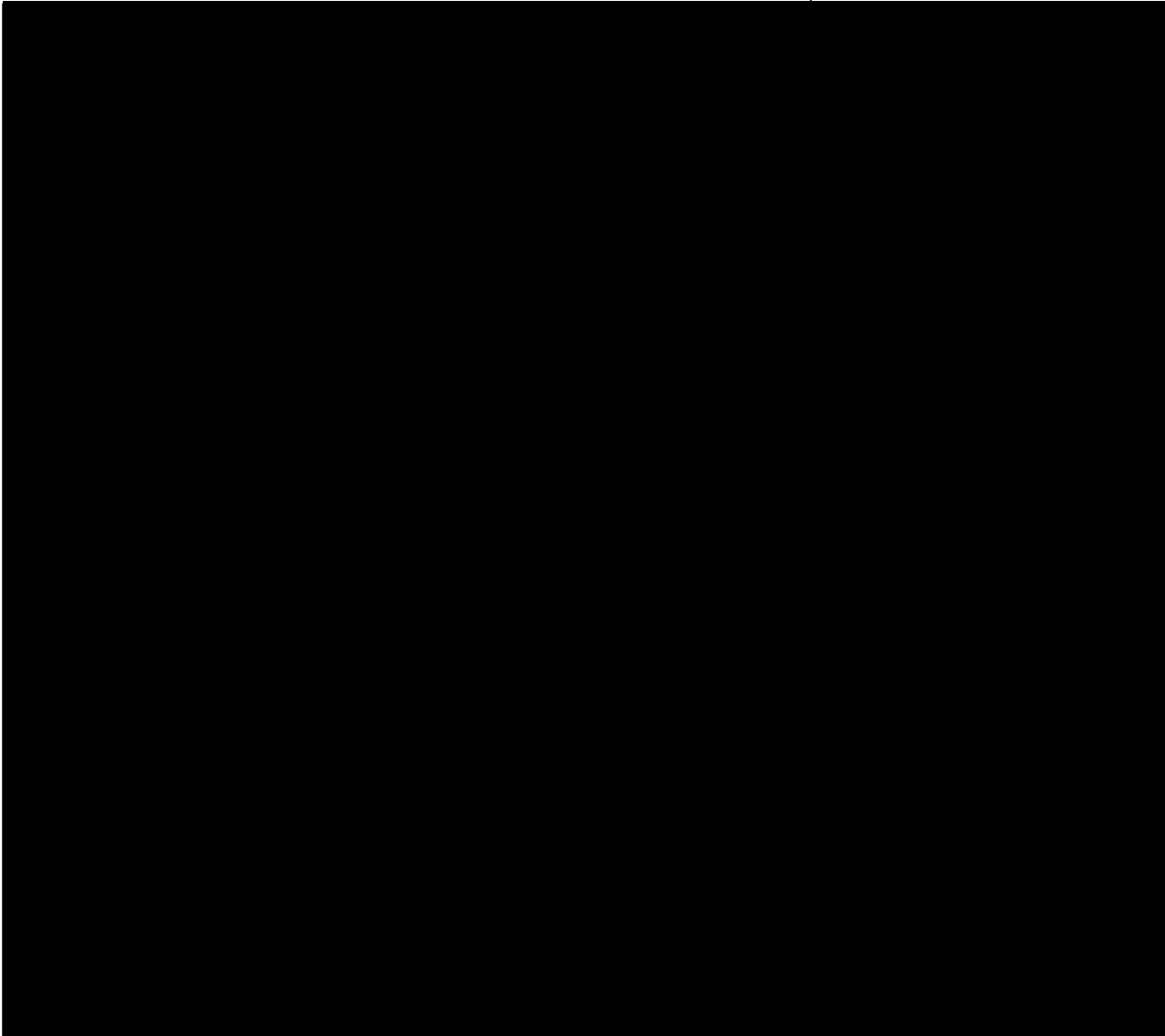
Material Weaknesses or Other Findings

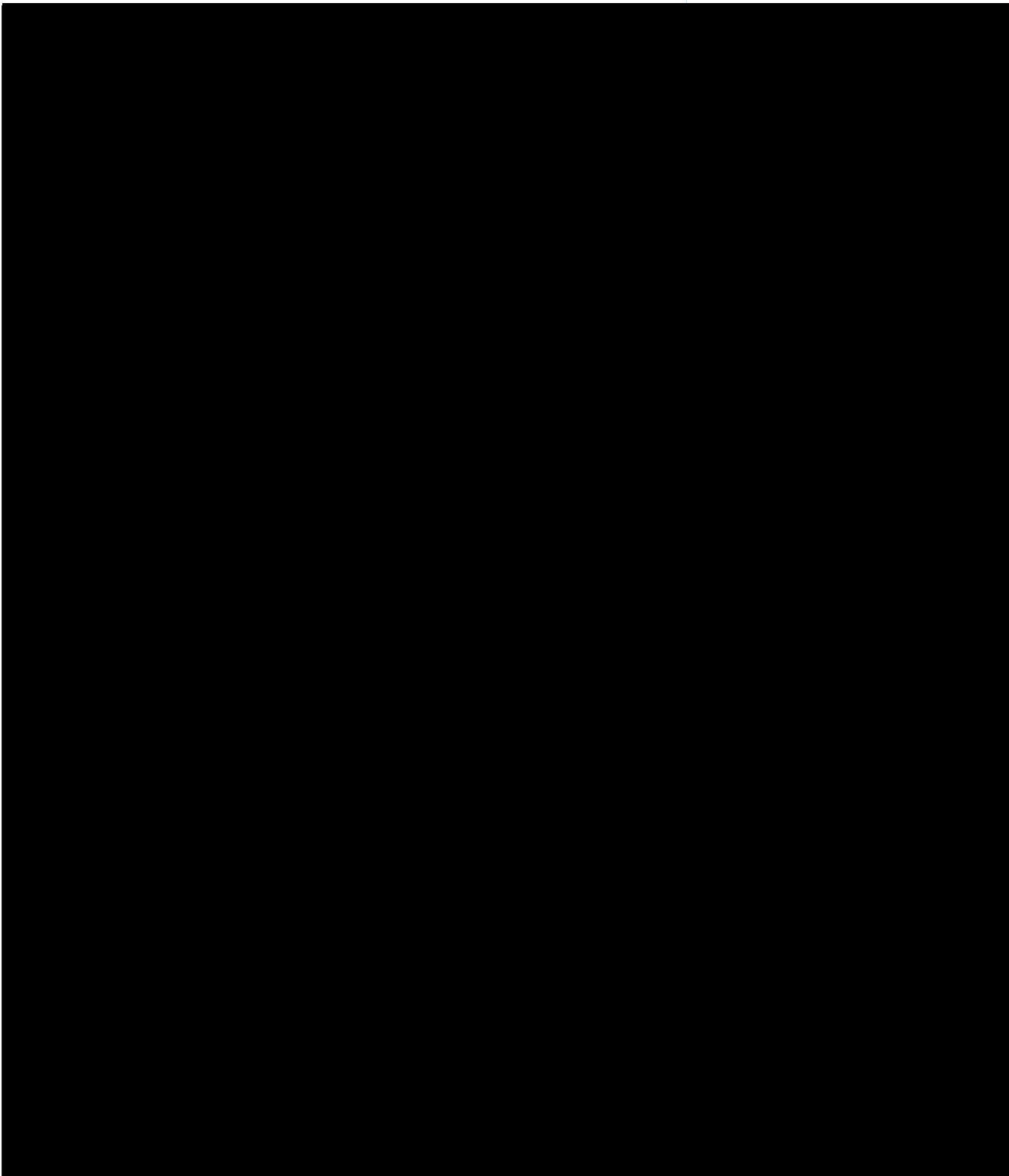
CSOSA received an unmodified (clean) opinion on the FY 2022 financial statements.

**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 2022 obligations is reasonable and accurate.







If you have any questions concerning this report, [REDACTED]  
or [REDACTED]

Sincerely,

KAREN LELLOCK

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Karen Lellock  
Assistant Director, Management and  
Administration

TAB D



SPECIAL OPERATIONS /  
LOW INTENSITY CONFLICT

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

DEC 21 2022

Dr. Rahul Gupta  
Office of Performance and Budget  
Office of National Drug Control Policy  
1800 G Street, NW  
Washington, DC 20503

Dear Dr. Gupta:

In accordance with Public Law 105-277, Title VII, "The Office of National Drug Control Policy Reauthorization Act of 1998," October 21, 1999, the Department of Defense submits its annual detailed report accounting for all funds expended for its National Drug Control Program activities. This letter and accompanying enclosures serve as the Department's Detailed Accounting Submission for Fiscal Year 2022.

Aggregate obligations for the Drug Interdiction and Counter-Drug Activities Budget Decision Unit may be found at TAB A. The data was derived from detailed obligation 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. The Budget Methodology remains reasonable, accurate and supported by official data from Department financial systems of records. No material weakness or other known weaknesses were identified in the Department's Annual Statement of Assurance.

To date, there have been no modifications made to the Fiscal Year 2022 Office of National Drug Control Policy approved Counter-Drug Budget Methodology submission from previous year's report. In our Budget Methodology we explained the process for the program's appropriated funds which is subsequently transferred during the fiscal year for execution by the Department to the various Military Departments and Defense Agencies. All obligations data reported were executed by the Military Departments and Defense Agencies' annual financial plans which are reviewed daily, monthly and quarterly. Your office did not issue the Department any Fund Control Notices.

The annual Defense counterdrug budget submission coincides with the overall Defense budget submission and is aligned with the Department's Planning, Program, Budgeting and Execution (PPBE) methodology used to allocate resources to accomplish the Departments' missions. The PPBE timeline is jointly published by the Under Secretary of Defense, Comptroller and the Director for Cost Assessment and Program Evaluation. The timeline defines all Defense Components' requirements for the annual budget estimates in the fall, leading to the submission of the President's Budget Request to both Congressional Authorization and Appropriation committees in the winter.

My point of contact for this action is Mr. Enrique A. Marchand, (703) 614-8802,  
enrique.a.marchand.civ@mail.mil.

Sincerely,

A handwritten signature in black ink, appearing to read "James Saenz". The signature is fluid and cursive, with a large initial "J" and "S".

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

Enclosures:  
As stated

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

**Funded Program** \$ in Thousands

<b>FY 2022 Appropriated</b>		<b>925,649</b>
No adjustments or transfers		-
<b>FY 2022 Actual</b>		<b>925,649</b>

**Obligations by ONDCP Drug Control Function** \$ in Thousands

<b>Intelligence</b>		<b>175,769</b>
Intelligence: Domestic Law Enforcement	9,492	
Intelligence: Interdiction	149,912	
Intelligence: International	16,365	
<b>Interdiction<sup>1</sup></b>		<b>358,867</b>
<b>International</b>		<b>16,937</b>
<b>Prevention</b>		<b>113,970</b>
<b>State and Local Assistance</b>		<b>226,787</b>
<b>FY 2022 Total Obligations<sup>1</sup></b>		<b>892,330</b>

<sup>1</sup> Represents a 96.4% overall obligation rate based on FY 2022 budget of \$925,649 thousand.

As of September 30, 2022, obligation rates for individual appropriations were as follows:

- FY 2022 Military Pay: 98.5%
- FY 2022 Operations & Maintenance: 98.0%
- FY 2022/2024 (multiyear) Procurement: 36.0%
- FY 2022/2024 (multiyear) Research, Development, Test & Evaluation: 62.0%

**FY 2022 Drug Resources Civilian Personnel Summary**

Authorized Full Time Equivalent Positions

Counter-Drug Activities	737
Drug Demand Reduction Program	751
<b>TOTAL FTE</b>	<b>1,488</b>

## **National Drug Control Budget Methodology Department of Defense Programs**

### Drug Interdiction and Counterdrug Activities, Defense

The purpose of this document is to explain the methodology used to express the financial plan for current 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 central transfer appropriation 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 central 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 their financial plan and execution 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 transfers their annual budget allotments to their respective databases before the start of the fiscal and update on quarterly basis. Through our business practice, the financial plan is reviewed daily, monthly and quarterly validating that the budget is executed as planned by the Military Departments and Defense Agencies. Subsequently, the aggregate data 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**  
2800 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-2800

7 March 2022

MEMORANDUM TO ASSISTANT DIRECTOR FOR PERFORMANCE AND BUDGET  
OFFICE OF NATIONAL DRUG CONTROL POLICY

SUBJECT: DEFENSE SECURITY COOPERATION AGENCY ANNUAL ACCOUNTING OF DRUG CONTROL FUNDS REPORT

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 2022 DSCA programs identified as supporting the ONDCP initiatives.

	FY 2022 Budget	Budget Authority (in Millions)
<b>Drug Resources by Function</b>		
International	\$46.731	
<b>Total Drug Resources by Function</b>	<b>\$46.731</b>	
<b>Drug Resources by Decision Unit</b>		
Defense Security Cooperation	\$45.475 <sup>1</sup>	
Regional Center CTOC	\$1.256	
<b>Total Drug Resources by Decision Unit</b>	<b>\$46.731</b>	
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	0 <sup>2</sup>	
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in millions)	\$3.437	
Drug Resources Percentage	1%	

<sup>1</sup> Building Partner Capacity Decision Unit uses 2-year appropriations – period of availability for new obligations expires 30 Sep 2023

<sup>2</sup> FTEs at the Regional Center no longer funded directly or tracked under CTOC Program

**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

The DSCA reports on two Decision Units: George C. Marshall European Center for Security Studies (GCMC) funded from the Regional Centers Account and the Security Cooperation Account. The GCMC receives internally reprogrammed funds while the Security Cooperation Account executes the Office of the Secretary of Defense's (OSD) identified counternarcotic (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 counternarcotic programs.

DSCA CN activities are coded as Project Codes with specific Project and Tasks. 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).

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.

Project Code	Description
0400004G0417000000000000	CN - SEC 333 Base (2-Year)
0400004G04A1000000000000	Regional Center 0100 Base (1-Year)

### 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.

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4662891  
Date: 2023.03.08 15:11:23 -0500

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: DARRELL LANDREUX  
Deputy Assistant Secretary of Defense (Health Resource  
Management & Policy)  
Department of Defense (Health Affairs)

FROM: ROBERT L. GOODMAN  
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 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 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(2) 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 FY2022 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 2022 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.

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

**FY 2022 Detailed Accounting Report, National Drug Control Activities, Defense Health Agency**

**OBLIGATIONS TABLE**

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2022 Obligated	FY21/22 RDT&E FY 22 Obligated
<b>Drug Resources by Function</b>			
Treatment: Recovery	\$65.612	\$72.773	-
Treatment: Other than Recovery	\$4.112	\$3.445	-
Research and Development: Prevention	\$4.000	\$0.010	\$3.789
Research and Development: Treatment	\$17.014	\$0.457	\$15.895
<b>Total Drug Resources by Function</b>	<b>\$90.738</b>	<b>\$76.685</b>	<b>\$19.684</b>
<b>Drug Resources by Decision Unit</b>			
Treatment (includes Pharmaceuticals) <sup>1</sup>	\$69.724	\$76.218	-
Research and Development <sup>2</sup>	\$21.014	\$0.467	\$19.684
<b>Total DHP Drug Resources by Decision Unit</b>	<b>\$90.738</b>	<b>\$76.685</b>	<b>\$19.684</b>
<b>Drug Resources Personnel Summary</b>			
<b>Total FTEs (direct only)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions) <sup>3</sup>	\$37,355.20	\$37,038.04	\$37,038.04
<b>Drug Resources Percentage</b>	<b>0.20%</b>	<b>0.20%</b>	<b>0.20%</b>

<sup>1</sup> Treatment and Pharmaceuticals enacted amounts are an estimate based on previous year’s expenses and a subset of the overall DHP Operation and Maintenance (O&M) budget.

<sup>2</sup> Research and Development Funds are multi-year appropriation, FY 2022 Enactment has Period of Availability for FY22/23 with \$0.467M obligated by 30 Sept 2022. Additionally, \$19.684M of FY21/22 funds obligated during FY 2022.

<sup>3</sup> 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 with pain management.

**METHODOLOGY MODIFICATION**

None

**MATERIAL WEAKNESS OR OTHER FINDINGS**

None

**REPROGRAMMING OR TRANSFERS**

None

**OTHER DISCLOSURES**

None

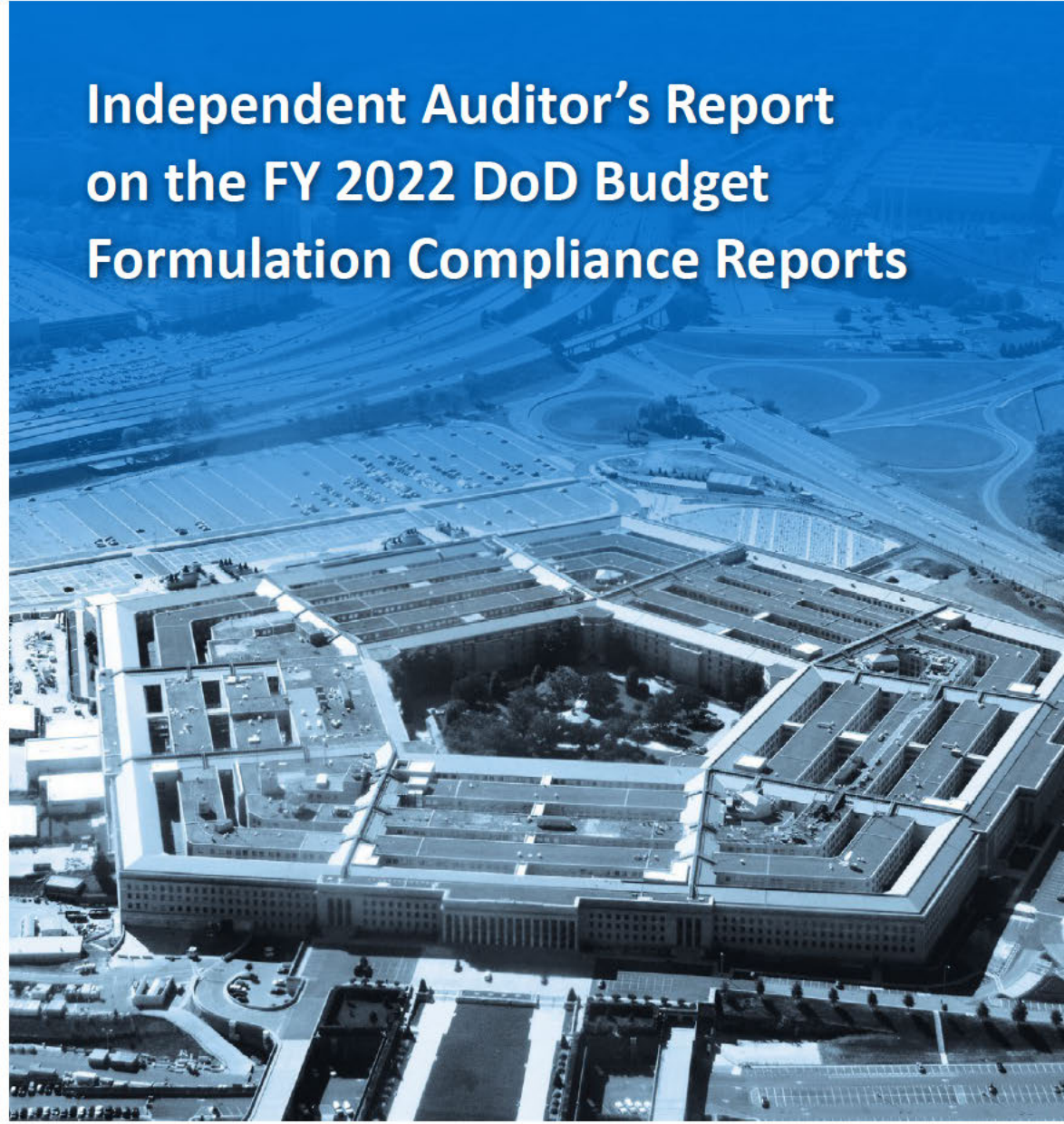




# INSPECTOR GENERAL

*U.S. Department of Defense*

JANUARY 31, 2023



## Independent Auditor's Report on the FY 2022 DoD Budget Formulation Compliance Reports

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





**OFFICE OF INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

January 31, 2023

**MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)  
DEPUTY ASSISTANT SECRETARY OF DEFENSE  
(COUNTERNARCOTICS AND STABILIZATION POLICY)  
DIRECTOR, DEFENSE SECURITY COOPERATION AGENCY  
DIRECTOR, OFFICE OF NATIONAL DRUG CONTROL POLICY**

**SUBJECT: Independent Auditor’s Report on the FY 2022 DoD Budget Formulation Compliance Reports (Project No. D2023-D000FT-0015.000, Report No. DODIG-2023-049)**

We have reviewed the FY 2022 DoD budget formulation compliance reports and the related assertions within those reports. DoD management is responsible for its assertions. Our responsibility is to express a conclusion on the DoD budget formulation compliance reports based on our review.

The Office of National Drug Control Policy (ONDCP) Circular, “National Drug Control Program Agency Compliance Reviews,” September 9, 2021 (the Circular), requires a budget formulation compliance report be provided to the Director of ONDCP by February 1 of each year. The Circular provides the policies and procedures that National Drug Control Program agencies must use to prepare the budget formulation compliance reports. The agency’s Chief Financial Officer or other accountable senior executive is responsible for preparing the budget formulation compliance reports. Each report includes sections on summer budget formulation information and assertions relating to the budget data.\*

The summer budget formulation information sections are:

- the date the entity submitted the summer budget to ONDCP, and
- a copy of the funding tables submitted to ONDCP.

The assertions are:

- that the entity provided the summer budget submission in a timely manner, and
- that a statement from the DoD entity that the funding levels requested in the summer budget submission represents the funding levels in the submission without adjustments.

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\* DoD agencies do not have a summer budget process. The annual counterdrug budget submission for DoD agencies coincides with the overall Defense budget submission and is aligned with the DoD’s Planning, Programming, Budgeting, and Execution (PPBE) methodology. The PPBE timeline is jointly published by the Under Secretary of Defense, Comptroller and the Director for Cost Assessments and Program Evaluation. The PPBE timeline defines all Defense Components’ requirements for the annual budget estimates in the fall, leading to the submission of the President’s Budget Request to both Congressional Authorization and Appropriation committees in the winter. For purposes of this review, we used each agency’s fall budget submission.

We performed this review-level attestation in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with 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 budget formulation compliance reports for them to be in accordance with the Circular. The procedures performed in a review-level attestation vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether the budget formulation compliance reports are in accordance with the Circular, in all material respects, to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained if we had performed an examination. We believe that the review evidence we obtained was sufficient and appropriate to provide a reasonable basis for our conclusions.

We were required to be independent and to meet our ethical responsibilities in accordance with the relevant ethical principles related to engagements conducted in accordance with generally accepted government auditing standards.

The ONDCP National Drug Control Budget, “FY 2023 Funding Highlights,” March 2022, identified that the DoD has three agencies that have Federal drug control spending: the Defense Health Program (DHP), Deputy Assistant Secretary of Defense (Counter narcotics and Stabilization Policy) (DASD[CNSP]) Drug Interdiction and Counterdrug Activities, and the Defense Security Cooperation Agency (DSCA).

## **DHP**

The Defense Health Agency, on behalf of the DHP, provided the DoD OIG the DHP budget formulation compliance report, dated October 7, 2022, that we reviewed to determine compliance with the Circular. The report contained budget data and addressed the required assertion that funding levels represented bureau level requests. The report did not address the assertion related to the timeliness of the summer budget submission, as the DHP did not submit a summer budget. The DHP annual counterdrug budget submission is aligned with the DoD’s PPBE timeline.

## **DASD (CNSP)**

### ***Drug Interdiction and Counterdrug Activities***

The DASD(CNSP) provided the DoD OIG the Drug Interdiction and Counterdrug Activities budget formulation compliance report, dated September 29, 2022, that we reviewed to determine compliance with the Circular. The report contained budget data and addressed the required assertion that funding levels represented bureau level requests. The report did

not address the assertion related to the timeliness of the summer budget submission, as the DASD(CNSP) did not submit a summer budget. The DASD(CNSP) annual counterdrug budget submission is aligned with the DoD's PPBE timeline.

## DSCA

The DSCA provided the DoD OIG the DSCA budget formulation compliance report, dated October 19, 2022, that we reviewed to determine compliance with the Circular. The report contained budget data and addressed the required assertion that funding levels represented bureau-level requests. The report did not address the assertion related to the timeliness of the summer budget submission, as the DSCA did not submit a summer budget. The DSCA annual counterdrug budget submission is aligned with the DoD's PPBE timeline.

## Conclusion

Based on our review, except for the matters described above, we are not aware of any material modifications that should be made to the DoD budget formulation compliance reports for them to be in accordance with the Circular.

The purpose of this report was to provide limited assurance over the DoD budget formulation compliance reports and the assertions contained within those reports. This report is not suitable for any other purpose. However, this report is a matter of public record, and its distribution is not limited.



Lorin T. Venable, CPA  
Assistant Inspector General for Audit  
Financial Management and Reporting

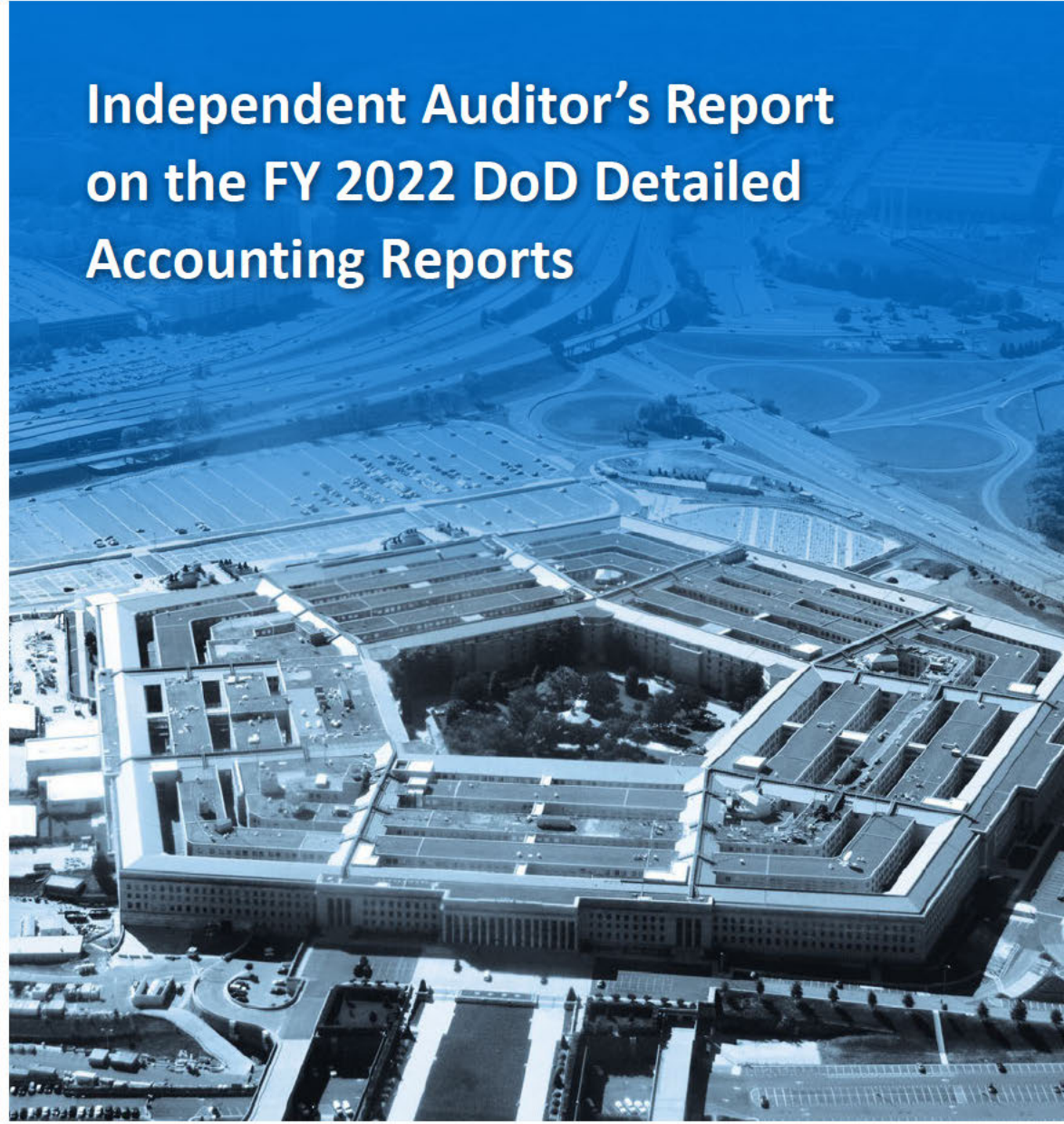




# INSPECTOR GENERAL

*U.S. Department of Defense*

JANUARY 31, 2023



## Independent Auditor's Report on the FY 2022 DoD Detailed Accounting Reports

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





**OFFICE OF INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

January 31, 2023

**MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)  
DEPUTY ASSISTANT SECRETARY OF DEFENSE  
(COUNTERNARCOTICS AND STABILIZATION POLICY)  
DIRECTOR, DEFENSE SECURITY COOPERATION AGENCY  
DIRECTOR, OFFICE OF NATIONAL DRUG CONTROL POLICY**

**SUBJECT: Independent Auditor’s Report on the FY 2022 DoD Detailed Accounting Reports  
(Project No. D2023-D000FT-0014.000, Report No. DODIG-2023-048)**

We have reviewed the FY 2022 DoD detailed accounting reports and the related assertions within those reports. DoD management is responsible for its assertions. Our responsibility is to express a conclusion on the DoD detailed accounting reports based on our review.

Public Law 105-277, title VII, “Office of National Drug Control Policy Reauthorization Act of 1998,” October 21, 1998, requires National Drug Control Program agencies to submit detailed accounting each year to the Director of the Office of National Drug Control Policy (ONDCP). The detailed accounting reports all funds expended by the agencies for National Drug Control Program activities during the previous fiscal year. The Act also requires each agency Inspector General to authenticate the detailed accounting before it is submitted to the ONDCP Director (section 1704[d], title 21, United States Code).

The ONDCP Circular, “National Drug Control Program Agency Compliance Reviews,” September 9, 2021 (the Circular), provides the policies and procedures that National Drug Control Program agencies must use to prepare the detailed accounting and authentication of all funds expended on National Drug Control Program activities. The agency’s Chief Financial Officer or other accountable senior executive is responsible for preparing the detailed accounting report. Each detailed accounting report must include the drug control funding obligations data and assertions relating to the obligations data.

The drug control funding obligations data sections are:

- a table of prior year drug control obligations by decision unit and drug control function,
- a detailed description of the drug methodology used,
- disclosure of any drug methodology modifications from the previous year’s reporting,
- disclosure of any material weaknesses and other findings,

- identification of all reprogramming actions or transfers, and
- clarification, if necessary, of any other disclosures or issues with data reported under the Circular.

The assertions are related to the:

- use of actual obligations from accounting systems of record,
- reasonable and accurate drug methodology used to calculate obligations of prior year budgetary resources by functional area,
- disclosure of actual drug methodology used,
- disclosure of any drug methodology modifications from the previous year’s reporting,
- disclosure of any material weaknesses and other findings,
- presented obligations associated with a financial plan including ONDCP’s approval of all reprogrammings or transfers, and
- presented obligations associated with a financial plan that fully complies with Fund Control Notices issued by the ONDCP Director.

We performed this review-level attestation in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with 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 detailed accounting reports for them to be in accordance with the Circular. The procedures performed in a review-level attestation vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether the detailed accounting reports are in accordance with the Circular, in all material respects, to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained if we had performed an examination. We believe that the review evidence we obtained was sufficient and appropriate to provide a reasonable basis for our conclusions.

We were required to be independent and meet our ethical responsibilities in accordance with the relevant ethical principles related to engagements conducted in accordance with generally accepted government auditing standards.

The ONDCP National Drug Control Budget, “FY 2023 Funding Highlights,” March 2022, identified that the DoD has three agencies that have Federal drug control spending: the Defense Health Program (DHP), Deputy Assistant Secretary of Defense (Counterterrorism and Stabilization Policy) (DASD[CNSP]) Drug Interdiction and Counterdrug Activities, and the Defense Security Cooperation Agency (DSCA). The following table shows a summary of the DoD’s National Drug Control Program agencies and the amounts obligated in the FY 2022 detailed accounting reports.

Table. The DoD's National Drug Control Program

DoD Agency	National Drug Control Obligations (Millions)
DHP	\$ 96.4
DASD(CNSP) – Drug Interdiction and Counterdrug Activities	\$892.3
DSCA	None Reported
<b>Total</b>	<b>\$988.7</b>

## DHP

The Defense Health Agency, on behalf of the DHP, provided the DoD OIG the DHP detailed accounting report, dated January 12, 2023, that we reviewed to determine compliance with the Circular. The detailed accounting report indicated that during FY 2022, the DHP obligated \$96.4 million of the funds allocated to the DHP Counterdrug Program. The DHP compiled the report based on information from its direct care and purchased care accounting systems.

Based on our review, we are not aware of any material modifications that should be made to the DHP's detailed accounting report for it to be in accordance with the Circular.

## DASD (CNSP)

### ***Drug Interdiction and Counterdrug Activities***

We reviewed DoD reprogramming actions for the Drug Interdiction and Counterdrug Activities appropriation that allocated \$925.6 million among the Military Departments, the National Guard, and Defense agencies. We reviewed the year-end obligation report and determined that the DASD (CNSP) allocated the funds to project codes intended for the DoD Counterdrug Program.

The DASD (CNSP) provided the DoD OIG the Drug Interdiction and Counterdrug Activities detailed accounting report, dated December 21, 2022, which we reviewed to determine compliance with the Circular. The detailed accounting report indicated that during FY 2022, the DoD obligated \$892.3 million of the funds allocated to the Counterdrug Program functional areas. The DASD (CNSP) compiled the detailed accounting report from data submitted by the Military Departments and Defense Agencies.

Based on our review, we are not aware of any material modifications that should be made to DASD (CNSP)'s Drug Interdiction and Counterdrug Activities detailed accounting report for it to be in accordance with the Circular.

## DSCA

The DSCA was unable to provide a timely FY 2022 detailed accounting submission for DSCA obligations to the DoD OIG for authentication. During our review, the DSCA provided some information related to our data request for the announced project. However, the information provided did not meet the requirements of a detailed accounting submission as outlined by the Circular. Specifically, the DSCA Chief Financial Officer did not provide the DoD OIG the FY 2022 detailed accounting submission.

## Conclusion

Based on our review, except for the matters at DSCA described in the preceding paragraph, we are not aware of any material modifications that should be made to the DoD detailed accounting reports, for them to be in accordance with the Circular.

The purpose of this report was to provide limited assurance over the DoD detailed accounting reports and the assertions contained within those reports. This report is not suitable for any other purpose. However, this report is a matter of public record, and its distribution is not limited.



Lorin T. Venable, CPA  
Assistant Inspector General for Audit  
Financial Management and Reporting

# TAB E



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

January 31, 2023

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 2022 Accounting of Drug Control Funds and Calendar Year 2022 Budget Formulation Compliance Report, along with the Department of Education Assistant Inspector General's letter declining review, dated January 23, 2023.

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

Sincerely,

Larry  
Kean  Digitally signed  
by Larry Kean  
Date: 2023.01.31  
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Larry Kean  
Director, Budget Service

## Department of Education's Calendar Year 2022 Budget Formulation Compliance Report

Section 6 of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, 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 2024 during the summer of calendar year 2022, 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 2024 budget request for drug control programs submitted to ONDCP in summer 2022; 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 2024 under which OESE developed or submitted a budget request to ONDCP in summer of 2022. Consequently, the requirements of the ONDCP Circular are not applicable.

ONDCP Circular *Budget Formulation* dated September 9, 2021 (in section 9(a)(1)), indicates 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 June 7, 2022 that for the above reasons ONDCP would not be receiving a summer drug control budget request from the Department for the fiscal year 2024 formulation cycle. For purposes of this Compliance Report we reaffirm that the Department's fiscal year 2024 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.



# DEPARTMENT OF EDUCATION



## DETAILED ACCOUNTING OF FISCAL YEAR 2022 DRUG CONTROL FUNDS

FEBRUARY 1, 2023

**DEPARTMENT OF EDUCATION**  
**DETAILED ACCOUNTING OF FISCAL YEAR 2022 DRUG CONTROL FUNDS**

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**TABLE OF PRIOR-YEAR DRUG CONTROL OBLIGATIONS**

	Fiscal Year 2022 Obligations (in millions)
<u>Drug Resources by Function</u>	
Prevention	\$58.459
Total	58.459
 <u>Drug Resources by Decision Unit</u>	
School Safety National Activities	\$58.459
Total	58.459

**PROGRAM DESCRIPTION**

The mission of the US Department of Education is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access. Over the past several years, the Department’s activities classified for inclusion in the national drug control budget were funded under School Safety National Activities (SSNA) which is a broad discretionary authority under Title IV, Part F, Section 4631 of the Elementary and Secondary Education Act (ESEA). SSNA programs help States and school districts foster a safe, secure, and supportive school and community environment conducive to teaching and learning, which may, though not specified in authorizing language, include drug prevention efforts; facilitate emergency management and preparedness, as well as recovery from traumatic events; and increase the availability of school-based mental health service providers for students.

A subset of projects funded under SSNA comprise the only Department of Education activities included in the national drug control budget in fiscal year 2022. The subset of projects supported under SSNA that have a 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 2022 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 2022, 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 2022 obligations of funds under School Safety National Activities, with the exception of activities that have no 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 2022 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 2022.

### **Other Disclosures**

The Department acknowledges the following limitation in the methodology described above for deriving the obligations of fiscal year 2022 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 2022 obligations of drug control funds shown in this report for the School Safety National Activities drug budget decision unit are the actual 2022 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 2022 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 2022 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 in 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 2022 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 2022 drug-related obligations in this report. The limitation of the methodology described above for deriving the obligations of fiscal year 2022 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 2021 and fiscal year 2022.

### **Reprogrammings or Transfers**

There were no reprogrammings or transfers of Department of Education drug control funds in fiscal year 2022. However, subsequent to the Department submitting its fiscal year 2022 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 \$1.3 million, from \$59.718 (as estimated in the financial plan) to the final amount of \$58.459.

### **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

January 23, 2023

TO: Larry Kean  
Director, Office of Budget Service  
Office of Planning, Evaluation and Policy Development

Bryan Williams  
Director, Office of Safe and Supportive Schools  
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 2022 Drug Control Funds and Calendar Year 2022  
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 the 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 Department's detailed accounting for fiscal year 2022.

Office of National Drug Control Policy Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, Section 8b, states that Budget Formulation Compliance Reports shall be reviewed with the same frequency and at the same time as detailed accounting reports. Accordingly, we will not be authenticating the Department's Budget Formulation Compliance Report for calendar year 2022.

If you have any questions, please contact Michele Weaver-Dugan, Regional Inspector General for Audit, Internal Operations/Philadelphia Audit Team at [REDACTED].

400 MARYLAND AVENUE, S.W., WASHINGTON, DC 20202-1510

*Promoting the efficiency, effectiveness, and integrity of the Department's programs and operations.*

TAB F



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

330 C Street, S.W., Washington, DC 20201 | [www.acf.hhs.gov](http://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

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

DATE: December 20, 2022

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 2022 Drug Control Obligation Summary is enclosed. Since ACF's obligations for drug-related activities falls below the reporting threshold of \$50 million, we attest that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden.

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

Summer Drug Budget Transmittal

ACF attests the Drug Control Narrative for RPG was sent to ONDCP June 2022.

Assertions:

- ACF provided the summer budget submission to ONDCP at the same time as 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:

<b>Resource Summary</b>	<b>FY 2022 Enacted</b>	<b>FY 2023 Budget</b>
Drug Resources by Function		
Prevention	\$20.000	\$27.000
<b>Total Funding</b>	<b>\$20.000</b>	<b>\$27.000</b>
Promoting Safe and Stable Families – Regional Partnership Grants Discretionary Program	0	\$7.000
Promoting Safe and Stable Families – Regional Partnership Grants Mandatory Program	\$20.000	\$60.000
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	<b>2</b>	<b>2</b>
Drug Resources as a Percent of Budget		
Total Agency Budget	\$62.6	\$62.6
Drug Resources Percentage	0.0%	0.0%



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

<b>Resource Summary</b>	<b>FY 2022 Obligations *(\$ in millions)</b>
<b>Drug Resources by Function, Prevention</b>	
Promoting Safe and Stable Families - Regional Partnership Grants	\$18.9.000
<b>Total, Drug Resources by Function</b>	<b>\$18.9.000</b>
<b>Drug Resources by Decision Unit</b>	
Promoting Safe and Stable Families - Regional Partnership Grants	\$20.000
Sequestration	-\$1.140
<b>Total, Drug Resources by Decision Unit</b>	<b>\$18.900</b>

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 \$18.9 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 2022**

Grants/Contracts	\$15,661,146
Salaries & Benefits	\$567,979
IAs	\$2,615,241
5% Competitive RPG Set-Aside	\$0
Secretary Transfer	\$0
Lapsed Mandatory	\$10,130
Carryforward Mandatory	\$5,504
Lapsed Discretionary	\$0
Sequestration	\$1,140,000

Competitive RPG Discretionary	\$0
Total	\$20,000,000

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 – ACF asserts that the methodology used to calculate obligations of prior year budgetary resources are reasonable and accurate and is based on reliable data reported in the Agency’s financial system.
  - a) Data
  - b) Financial Systems
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 –ACF asserts that all material weaknesses or other findings by independent sources, or other know 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 – ACF asserts that no modifications were made to methodology for reporting drug control resources from the previous year’s reporting.
6. Reprogramming or Transfers – ACF asserts that the data presented are associate with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, 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.
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.





DEPARTMENT OF HEALTH AND HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**

WASHINGTON, DC 20201



January 18, 2023

**TO:** Christopher M. Jones, PharmD, DrPH, MPH (CAPT, USPHS)  
Acting Director, National Center for Injury Prevention and Control  
Centers for Disease Control and Prevention

Christa Capozzola  
Chief Financial Officer  
Centers for Disease Control and Prevention

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

*Amy Frontz*

Digitally signed by  
AMY FRONTZ

Date: 2023.01.18

11:21:12 -05'00'

**SUBJECT:** Independent Attestation Review: *Centers for Disease Control and Prevention Fiscal Year 2022 Detailed Accounting Submission and Budget Formulation Compliance Report for National Drug Control Activities, and Accompanying Required Assertions, A-03-23-00352*

We have reviewed the attached Centers for Disease Control and Prevention (CDC) 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, 2022. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2024,<sup>1</sup> and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information. CDC 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). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of CDC's Detailed Accounting Report for fiscal year 2022, CDC's Budget Formulation Compliance Report for fiscal year 2024, and management's assertions based on our review.

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,

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<sup>1</sup> Although CDC's Budget Formulation Compliance Report was provided to ONDCP as of fiscal year 2022, the budget figures reflect the fiscal year 2024 funding request.

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 the Detailed Accounting Report, Budget Formulation Compliance Report, and management’s assertions for them to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether management’s reports and 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.

Notwithstanding the limited nature of the engagement, we believe that the review evidence obtained is sufficient in accordance with attestation standards and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

As part of our review, we performed review procedures on CDC’s fiscal year 2022 Detailed Accounting Report and fiscal year 2024 Budget Formulation Compliance Report according to the ONDCP Compliance Reviews Circular’s criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in CDC’s reports. Those procedures included reviewing CDC’s drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether CDC submitted the summer budget timely and whether funding levels represented CDC requests.

Based on our review, we are not aware of any material modifications that should be made to CDC’s Detailed Accounting Report for fiscal year 2022 and CDC’s Budget Formulation Compliance Report for fiscal year 2024 and management’s assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

CDC’s Detailed Accounting Report and Budget Formulation Compliance Report assertions are included as Attachments A and B.<sup>2</sup>

\*\*\*\*\*

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and CDC. 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, [REDACTED]. Please refer to report number A-03-23-00352 in all correspondence.

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<sup>2</sup> Only the Budget Formulation Compliance Report assertions are included in Attachment B since the report contains prospective information.



Centers for Disease Control  
and Prevention (CDC)  
Atlanta GA 30329-4027

**DATE:** January 5, 2023

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

Sheila Conley  
Deputy Assistant Secretary for Finance and  
Deputy Chief Financial Officer  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

**FROM:** Christa Capozzola  
Chief Financial Officer  
Centers for Disease Control and Prevention

**SUBJECT:** Fiscal Year 2022 Detailed Accounting Report

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 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. 117-103, Department of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act of 2022, along with funds received from ONDCP in support of the Drug Free Communities Program.

CDC did not transfer drug control budget authority funds in FY 2022.

### **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.

Christa A.  
Capozzola -S



Digitally signed by  
Christa A. Capozzola -S  
Date: 2023.01.05  
20:03:24 -05'00'

Christa Capozzola  
Chief Financial Officer  
Director, Office of Financial Resources (OFR)  
Office of the Chief Operating Officer (OCCO)

Attachment: FY 2022 CDC Detailed Accounting Report Tables

**Drug Resources by Decision Unit Table**

FY 2022 Drug Resources by Decision Unit	FY 2022 Resources	FY 2022 Obligations
Opioid Overdose Prevention and Surveillance	\$490,579,000	\$490,102,301
Drug Free Communities Program <sup>1</sup>	\$129,959,214	\$129,459,836
Infectious Diseases and the Opioid Epidemic	\$18,000,000	\$17,551,982
<b>Total Drug Resources</b>	<b>\$638,538,214</b>	<b>\$637,114,119</b>

<sup>1</sup> Drug Free Communities Program funding was provided to CDC via Expenditure Transfer and Interagency Agreement.

**Drug Resources by Function Table**

FY 2022 Drug Resources by Budget Function	FY 2022 Resources	FY 2022 Obligations
Prevention	\$638,538,214	\$637,114,119
<b>Total by Function</b>	<b>\$638,538,214</b>	<b>\$637,114,119</b>

**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 (\$490,579,000) and Infectious Diseases and the Opioid Epidemic (\$18,000,000) under P.L. 117-103, Department of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act of 2022. In addition to amounts appropriated directly to CDC, the Agency administers the Drug Free Communities Program (\$129,959,214) 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**

N/A

**Other Disclosures**

N/A



**DATE:** November 16, 2022

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

**FROM:** Christa Capozzola  
Chief Financial Officer  
Centers for Disease Control and Prevention

**SUBJECT:** Assertions Concerning Fiscal Year 2024 Budget Formulation Summer Submission

- a. Summer budget formulation information
  - (1) Summer drug budget transmittal – CDC’s FY 2024 summer drug budget was submitted to HHS for transmittal to ONDCP on June 3, 2022.
  - (2) Summer drug budget resource summary table – CDC’s FY 2024 summer drug budget funding table is included in the attachment to this memo.
- b. Assertions
  - (1) Timeliness of summer budget submission – I assert that CDC’s FY 2024 summer drug budget was submitted to ONDCP on the date reported in Section 6.a.(1), and was provided to ONDCP at the same time as that budget request was submitted to their superiors accordance with 21 U.S.C. § 1703(c)(1)(A).
  - (2) 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.

Christa A. Capozzola -S Digitally signed by  
Christa A. Capozzola -S  
Date: 2022.11.16  
14:00:27 -05'00'

Christa Capozzola  
Chief Financial Officer  
Director, Office of Financial Resources (OFR)  
Office of the Chief Operating Officer (OCCO)

Attachment: CDC FY 2024 Summer Budget Resource Summary Table



<i>(Dollars in Millions)</i>	FY 2022 Enacted	FY 2023 President's Budget
<b>Drug Resources by Function</b>		
Prevention	\$470.579	\$647.369
Harm Reduction	\$38.000	\$85.500
<b>Total Drug Resources by Function</b>	<b>\$508.579</b>	<b>\$732.869</b>
<b>Drug Resources by Decision Unit</b>		
Opioid Overdose Prevention and Surveillance	\$490.579	\$713.369
Infectious Diseases and the Opioid Epidemic <sup>1</sup>	\$18.000	\$19.500
<b>Total Drug Resources by Decision Unit</b>	<b>\$508.579</b>	<b>\$732.869</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (Direct Only) <sup>2</sup>	167	356
Infectious Diseases and the Opioid Epidemic	6	5
Opioid Overdose Prevention and Surveillance	161	351
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget <sup>3</sup>	\$8,400.846	\$10,674.801
Drug Resources Percentage	6.05%	6.87%

<sup>1</sup> Infectious Diseases and the Opioid Epidemic supports CDC in reducing morbidity, mortality, and incidence of infectious diseases associated with drug use.

<sup>2</sup> Includes vacancies.

<sup>3</sup> Excludes ATSDR and mandatory programs; includes funding from the Prevention and Public Health Fund and PHS Evaluation Transfers.



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

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## Office of Financial Management

### MEMORANDUM

**DATE:** October 26, 2022

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

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

**SUBJECT:** **Assertions Concerning Fiscal Year 2024 Budget Formulation Summer Submission**

In accordance with the requirements of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, CMS submitted the FY 2024 Summer Budget to Department of Health and Human Services (HHS) and ONDCP on Friday, June 03, 2022. 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 2024 Summer Drug Budget submitted to ONDCP under the cover letter provided to ONDCP on Friday, June 03, 2022 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).

Sign and Date:

**Megan Worstell** - Digitally signed by Megan Worstell -S  
S Date: 2022.10.26 13:06:42 -04'00'

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**Megan Worstell**

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

### Attachments

- Attachment A - FY 2024 Summer Drug Budget Resource Summary Table

**Drug Control Program**  
**Department of Health and Human Services**  
**Centers for Medicare & Medicaid Services (CMS)**  
(Dollars in millions except where indicated otherwise)

Resource Summary	FY 2022 Estimates	FY 2023 Estimates
Drug Resources by Decision Unit and Function/Program		
Medicaid Treatment	\$8,450.0	\$7,810.0
<b>Total Decision Unit #1 Medicaid</b>	<b>\$8,450.0</b>	<b>\$7,810.0</b>
Medicare Treatment	\$3,190.0	\$3,410.0
<b>Total Decision Unit #2 Medicare</b>	<b>\$3,190.0</b>	<b>\$3,410.0</b>
<b>Total Funding</b>	<b>\$11,640.0</b>	<b>\$11,220.0</b>
Drug Resources Personnel Summary		
Total FTEs (direct only)	--	--
Drug Resources as a Percent of Budget		
Total Agency Budget (in billions) <sup>1</sup>	\$1,512.9	\$1,565.0
Drug Resources Percentage	0.7%	0.7%

<sup>1</sup> 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.



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

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## Office of Financial Management

### MEMORANDUM

**DATE:** October 26, 2022

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

Sheila Conley  
Deputy Assistant Secretary for Finance and  
Deputy Chief Financial Officer  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

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

**SUBJECT: Fiscal Year 2022 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 A)

### 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 B).

### 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: 2022.10.26 13:07:25 -04'00'

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**Megan Worstell**

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

**Attachments**

- Attachment A - FY 2022 Drug Control Resource Table
- Attachment B - FY 2022 Drug Control Methodology

**FY 2022 Drug Control Summary Resource Table**

**CENTERS FOR MEDICARE AND MEDICAID SERVICES**

**FY 2022 Drug Control Enacted Outlays**  
*(Dollars in millions except where indicated otherwise)*

**Drug Resources by Decision Unit and Function**<sup>1</sup>

Medicaid	
Treatment.....	\$8,450.0
<b>Total Medicaid.....</b>	<b>\$8,450.0</b>
Medicare	
Treatment.....	\$3,190.0
<b>Total Medicare.....</b>	<b>\$3,190.0</b>
<b>Total Funding.....</b>	<b>\$11,640.0</b>
<b>Drug Resources Personnel Summary</b>	
<i>Total Full Time Equivalent (FTEs).....</i>	<i>0</i>
<b>Drug Resources as a Percent of Budget</b>	
Total Agency Budget (in billions <sup>2</sup> ).....	\$1,512.9
Drug Resources Percentage.....	0.7%

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<sup>1</sup> Drug Resources by Decision Unit and Function table comes from the [FY 2023 CMS Congressional Justification](#).

<sup>2</sup> 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.

## **FY 2022 Drug Control Methodology**

**1) Drug Methodology** – The Fiscal Year (FY) 2022 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 2022 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 2022 are estimated Medicaid outlays, rather than obligations, since CMS receives no direct funding from ONDCP. Based on the Medicaid Methodology stated below, OACT projected \$8,450.0 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 2013, based on expenditures for claims with SUDs 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 2020 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 are consistent with the FY 2023 President's Budget. The annual growth rates were adjusted by comparing the rate of SUD expenditure growth from FY 2007 through 2013 to all service expenditure growth and adjusting the growth rate proportionately.

### **Medicare Treatment:**

Included in this Drug Control Accounting report for FY 2022 are estimated Medicare outlays, rather than obligations, since CMS receives no direct funding from ONDCP. Based on the Medicare Methodology stated below, OACT projected \$3,190.0 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 2023 President's Budget baseline. These projections reflect estimated Part A and Part B spending into FY 2023 and are based on an analysis of historical fee for service claims through 2020, using the primary diagnosis code included on the claims. The historical trend is then used to make projections into the future. These projections are very similar to those for the FY 2022 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



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**

WASHINGTON, DC 20201



January 18, 2023

**TO:** Benjamin D. Moncarz  
Chief Financial Officer  
Food and Drug Administration

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

*Amy Frontz*

Digitally signed by  
AMY FRONTZ  
Date: 2023.01.18  
11:22:02 -05'00'

**SUBJECT:** Independent Attestation Review: *Food and Drug Administration Fiscal Year 2022 Detailed Accounting Submission and Budget Formulation Compliance Report for National Drug Control Activities, and Accompanying Required Assertions, A-03-23-00353*

We have reviewed the attached Food and Drug Administration (FDA) 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, 2022. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2024,<sup>1</sup> and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information. FDA 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). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of FDA's Detailed Accounting Report for fiscal year 2022, FDA's Budget Formulation Compliance Report for fiscal year 2024, and management's assertions based on our review.

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 the Detailed Accounting Report, Budget Formulation Compliance Report, and management's

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<sup>1</sup> Although FDA's Budget Formulation Compliance Report was provided to ONDCP as of fiscal year 2022, the budget figures reflect the fiscal year 2024 funding request.

assertions for them to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether management's reports and 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.

Notwithstanding the limited nature of the engagement, we believe that the review evidence obtained is sufficient in accordance with attestation standards and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

As part of our review, we performed review procedures on FDA's fiscal year 2022 Detailed Accounting Report and fiscal year 2024 Budget Formulation Compliance Report according to the ONDCP Compliance Reviews Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in FDA's reports. Those procedures included reviewing FDA's drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether FDA submitted the summer budget timely and whether funding levels represented FDA requests.

Based on our review, we are not aware of any material modifications that should be made to FDA's Detailed Accounting Report for fiscal year 2022 and FDA's Budget Formulation Compliance Report for fiscal year 2024 and management's assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

FDA's Detailed Accounting Report and Budget Formulation Compliance Report assertions are included as Attachments A and B.<sup>2</sup>

\*\*\*\*\*

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 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, [REDACTED]. Please refer to report number A-03-23-00353 in all correspondence.

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<sup>2</sup> Only the Budget Formulation Compliance Report assertions are included in Attachment B since the report contains prospective information.




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## Memorandum

**To:** Rahul Gupta, Director  
Office of National Drug Control Policy

**From:** Benjamin Moncarz, Chief Financial Officer  
U.S. Food & Drug Administration

Benjamin D.  
Moncarz -S

 Digitally signed by Benjamin D.  
Moncarz -S  
Date: 2022.12.09 16:39:17 -05'00'

**Date:** December 9, 2022

**Subject:** Detailed Accounting Report and Assertions

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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 and can be identified by a standard report or based on a defined methodology to track payroll and operating expenses.

### **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.b.(2) of the Circular.

### **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**

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 2022 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 2022 was the first year that FDA reported on actual obligations and has not received any Fund Control Notices from ONDCP. Therefore, I assert that FDA is in compliance with Section 7.b.(7) of the Circular.

Attachment:  
Drug Control Resources by Decision Unit and Function

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**Drug Control Resources by Decision Unit and Function**

## Accounting of Drug Control Funds (\$M)

Decision Unit & Function	FY 2022 President's Request	Total Enacted Resources	Obligations Identified in UFMS Reports	Obligations Recorded by Defined Methodology	Total Obligations
<b>ORA - Interdiction</b>					
Payroll				30.28	30.28
Operating			0.31	20.91	21.22
<b>ORA Total</b>	<b>54.50</b>	<b>51.50</b>	<b>0.31</b>	<b>51.19</b>	<b>51.50</b>
<b>CDER - Research &amp; Development, Treatment &amp; Prevention, including Harm Reduction</b>					
Operating			19.74	0.18	19.92
Payroll			0.00	0.58	0.58
<b>CDER Total</b>	<b>46.00</b>	<b>20.50</b>	<b>19.74</b>	<b>0.76</b>	<b>20.50</b>
<b>CDRH - Research &amp; Development, Treatment &amp; Prevention</b>					
Operating			0.50	0.00	0.50
<b>CDRH Total</b>	<b>2.00</b>	<b>0.50</b>	<b>0.50</b>	<b>0.00</b>	<b>0.50</b>
<b>FDA Totals:</b>	<b>102.50</b>	<b>72.50</b>	<b>20.55</b>	<b>51.95</b>	<b>72.50</b>

**Drug Methodology**

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), Office of Regulatory Affairs (ORA), and the Center for Devices and Radiological Health (CDRH).

FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), that identifies about \$20M of the obligations against the drug control budget. The remaining \$51M is obligated in UFMS as part of the broader Human Drugs program but utilizes a defined methodologies to define the funding attributable to opioids spending.

For ORA's opioids work, about \$308K can be identified in a UFMS report and tracked by CAN. The remaining \$51M 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 \$19.7M can be identified in a UFMS report and tracked by CAN. Approximately \$577K of payroll funds are obligated in UFMS, but the costs are not easily

distinguishable, and a defined methodology is used to determine the opioids spending. \$182K is obligated in UFMS but part of the WCF AWS Special Assessments and determined by a defined methodology.

CDRH's \$500K in funding can be identified in a UFMS report and is tracked by CAN.

**Methodology Modifications**

N/A

**Reprogramming or Transfers**

N/A

**Fund Control Notices**

N/A

**Other Disclosures**

N/A

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## Memorandum

**To:** Rahul Gupta, Director  
Office of National Drug Control Policy

**From:** Benjamin Moncarz, Chief Financial Officer U.S. Food & Drug Administration  
Benjamin D. Moncarz -S

**Date:** December 9, 2022

**Subject:** Assertions Concerning FY 2024 Budget Formulation Summer Submission

Digitally signed by  
Benjamin D. Moncarz -S  
Date: 2022.12.09  
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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 2024 summer budget submission to ONDCP on June 3, 2022. 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 2024 summer budget submission to ONDCP at the same time as HHS.

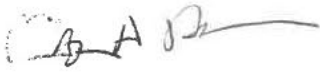
### **Funding Levels Represent Bureau-Level Request**

I assert that the information provided in FDA's FY 2024 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.

Attachment:  
FDA FY 2024 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 26, 2023

SUBJECT: Health Resources and Services Administration  
Budget Formulation Compliance Report for FY 2024

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 was submitted on June 6, 2022 to ONDCP in response to Section 6.a.(1) in response to ONDCP Circular: *Budget Formulation*, Section 9.a.(1) and 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.



# DEPARTMENT OF HEALTH AND HUMAN SERVICES

## Health Resources and Services Administration

### Drug Budget Compliance Report

#### Resource Summary

	Budget Authority (in millions)	
	FY 2022 Enacted	FY 2023 Budget
<b>Drug Resources by Function</b>		
<b>Prevention</b>	<b>\$116.250</b>	<b>\$154.000</b>
Health Center Program	\$54.000	\$54.000
Rural Communities Opioid Response Program	\$62.250	\$100.000
<b>Treatment</b>	<b>\$711.750</b>	<b>\$768.000</b>
Health Center Program	\$486.000	\$486.000
National Health Service Corps SUD Workforce Program	\$105.000	\$165.000
Addiction Medicine Fellowship Program	\$24.000	\$24.000
SUD Treatment and Recovery Loan Repayment	\$24.000	\$28.000
Rural Communities Opioid Response Program	\$72.750	\$65.000
<b>Total Drug Resources by Function</b>	<b>\$828.000</b>	<b>\$922.000</b>
<b>Drug Resources by Decision Unit</b>		
Health Center Program	\$540.000	\$540.000
National Health Service Corps SUD Workforce Program	\$105.000	\$165.000
Addiction Medicine Fellowship Program	\$24.000	\$24.000
SUD Treatment and Recovery Loan Repayment	\$24.000	\$28.000
Rural Communities Opioid Response Program	\$135.000	\$165.000
<b>Total Drug Resources by Decision Unit</b>	<b>\$828.000</b>	<b>\$922.000</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	--	--
<b>Drug Resources as a percent of Budget</b>		
Total Agency Budget (in Billions)	\$13.3	\$13.3
Drug Resources percentage	6.2%	6.9%

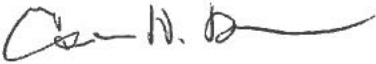


DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Resources and Services  
Administration

Rockville, MD 20857

MEMORANDUM TO: Director  
Office of National Drug Control Policy

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

DATE: January 26, 2023

SUBJECT: Health Resources and Services Administration  
Detailed Accounting Report for FY 2022

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), National Health Service Corps (NHSC) SUD Workforce Loan Repayment Program, Addition Medicine Fellowship Program, and Substance Use Disorder Treatment and Recovery (STAR) Loan Repayment 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 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 2022 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 2022 Obligated
<b>Drug Resources by Function</b>	
<b>Prevention</b>	<b>\$116.250</b>
Health Center Program	\$54.000
Rural Communities Opioid Response Program	\$62.250
<b>Treatment</b>	<b>\$711.750</b>
Health Center Program	\$486.000
National Health Service Corps SUD Workforce Program	\$105.000
Addiction Medicine Fellowship Program	\$24.000
SUD Treatment and Recovery Loan Repayment	\$24.000
Rural Communities Opioid Response Program	\$72.750
<b>Total Drug Resources by Function</b>	<b>\$828.000</b>
<b>Drug Resources by Decision Unit</b>	
Health Center Program	\$540.000
National Health Service Corps SUD Workforce Program	\$105.000
Addiction Medicine Fellowship Program	\$24.000
SUD Treatment and Recovery Loan Repayment	\$24.000
Rural Communities Opioid Response Program	\$135.000
<b>Total Drug Resources by Decision Unit</b>	<b>\$828.000</b>
<b>Drug Resources Personnel Summary</b>	
Total FTEs (direct only)	--
<b>Drug Resources as a percent of Budget</b>	
Total Agency Budget (in Billions)	\$13.3
Drug Resources percentage	6.2%

## METHODOLOGY

### Health Center Program

For each of Fiscal Years (FYs) 2016-2019, HRSA provided new annual ongoing grant funding supporting substance use disorder (SUD)/mental health (MH) service expansion in health centers totaling \$545 million projected to remain in Health Center Program base continuation funding in future 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 remaining \$540 million in ongoing supplemental SUD/MH funding initiated in prior fiscal years and incorporated in annual health center continuation awards is scored as drug control funding.

### National Health Service Corps (NHSC) SUD Workforce Loan Repayment Program

Funds are used to provide loan repayment assistance to reduce the educational financial debt of qualified SUD providers in exchange for service at SUD treatment facilities in underserved areas. Funds reflect the portion of NHSC discretionary budget requests dedicated to the SUD Workforce Loan Repayment Program. As these funds support providers of SUD treatment services, 100 percent of the amount is scored as treatment funding.

### Addiction Medicine Fellowship (AMF) Program

Funds are used to support the clinical training of addiction medicine or addiction psychiatry physicians in underserved, community-based settings. Funds reflect the portion of Behavioral Health Workforce budget line requests dedicated to the AMF program. As these funds support providers of SUD treatment services 100 percent of the amount is scored as treatment funding.

### Substance Use Disorder Treatment and Recovery (STAR) Loan Repayment Program (LRP)

Funds are used to provide loan repayment assistance to reduce the educational financial debt of qualified SUD providers in exchange for service at SUD treatment facilities in underserved areas. Funds reflect the portion of Behavioral Health Workforce budget line requests dedicated to the STAR Loan Repayment Program. As these funds support providers of SUD treatment services 100 percent of the amount is scored as treatment funding.

### Rural Communities Opioid Response Program (RCORP)

The allocation of funds for 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 2022 reflects 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 & HUMAN SERVICES

Public Health Service

Indian Health Service  
Rockville, MD 20852

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

**FROM:** Jillian Curtis  
Chief Financial Officer  
Indian Health Service

**SUBJECT:** Fiscal Year 2022 Detailed Accounting Report

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *Accounting of Drug Control Funding and Performance Summary*, I make the following assertions regarding the attached annual accounting of drug control funds for the Indian Health Service (IHS):

**Obligations by Budget Decision Unit**

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

**Drug Methodology**

I assert that the drug methodology used to calculate obligations of prior year budgetary resources by function for all Areas and Operating Offices was reasonable and accurate in accordance with the criteria listed in Section 6b(2) of the Circular. In accordance with these criteria, I have documented/identified data which 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 respect, aggregate obligations from which drug-related obligation estimates are derived.

The IHS methodology for estimating the drug control budget was established using the amounts appropriated for the Alcohol and Substance Abuse Prevention programs authorized under Public Law (P.L.) 102-573, the Indian Health Amendments of 1992. See attached table "Alcoholism and Substance Abuse Treatment and Prevention Program authorized under P.L. 102-573" for list of programs. This table reflects estimated amounts. When originally authorized and appropriated, the funds were allocated to Tribes in their Indian Self-Determination contracts and compacts by specific programs. However, when the programs were reauthorized and captured under P.L. 102-573, some IHS Area offices allocated the funds in lump sum while others maintained the specific program breakout. Therefore, at the current time precise amounts of

funding for each program are not available. The table is maintained to estimate current funding level and is the basis of the drug budget control methodology. Excluded is the amount for the Adult Treatment programs, which represents the original authorization for IHS to provide alcohol treatment services. The focus on alcoholism treatment is the reason for the exclusion.

**Drug Resources by Decision Unit:** The IHS drug control funds are appropriated in two budget line items: 1) Alcohol and Substance Abuse (ASA), and 2) Urban Indian Health Programs (UIHP). The ASA funds are primarily allocated to Tribes under their Indian Self-Determination contracts and compacts, where they manage the programs and have authority to reallocate funds to address local priorities. The portion of the alcohol fund included in the drug control budget methodology is as described above, i.e., the entire budget excluding the amount for adult treatment. The UIHP funds are allocated through contracts and grants to 501(c)(3) organizations. The portion of UIHP funds included in the drug control budget methodology is for the National Institute on Alcohol Abuse and Alcoholism programs transferred to the IHS under the UIHP budget.

**Drug Resources by Function:** Under the methodology, two programs through FY 2007 were identified as Prevention programs, Community Education and Training and Wellness Beyond Abstinence. In FY 2008, one half of the new funds appropriated for Methamphetamine and Suicide prevention and treatment were also included in the Prevention function. The treatment function comprises the remaining program excluding adult treatment. In addition, the amount of UIHP funds is included under the treatment function.

FY 2008, one half of the new funds appropriated for Methamphetamine and Suicide prevention and treatment was also included in the Prevention function; these funds are now referred to in the tables as substance abuse prevention and treatment.

### **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 6a of the Circular.

### **Methodology Modifications**

None

### **Material Weaknesses or Other Findings**

None

### **Reprogramming or Transfers**

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



**Other Disclosures**

None

**Funds Control Notices**

IHS was not issued any Fund Control Notices by the Director under 21 U.S.C. 1703 (f) and Section 9 of the ONDCP Circular *Budget Execution*, dated October 22, 2019.

Jillian Curtis S  Digitally signed by Jillian Curtis -S  
Date: 2023.03 06 15 01:47 -05'00'

Jillian Curtis

**Attachments:**

1. Table – Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573
2. Table – FY 2022 Drug Control Obligations

The first table attached to this report is necessary for understanding the IHS drug control budget methodology. The table titled “Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573” shows the ASA budget line item broken out by the activities originally authorized in P.L. 100-690 and later included under P.L. 102-573. This table also includes the funding within the UIHP budget line item that supports alcohol and substance abuse treatment services. However, funds are not appropriated or accounted for by these specific categories, but rather as the lump sum funds of ASA, Urban Health, and the Prescription Drug Monitoring Program. The second table shows the obligations of these funds as required by the ONDCP Circular *Accounting of Drug Control Funding and Performance Summary*.

Indian Health Service  
 Alcoholism and Substance Abuse Treatment  
 and Prevention Program  
 Authorized under P.L. 102-573  
 (Dollars in Thousands)

Amount of Funds	FY 2020 Final	FY 2021 Final	FY 2022 Final	Drug Control & Moyer Reports
<b>ALCOHOL &amp; SUBSTANCE ABUSE</b>				
Adult Treatment.....	\$116,506	\$119,829	\$123,860	excluded*
Regional Treatment Centers Community	\$24,060	\$24,746	\$25,579	treatment
Community Education & Training.....	\$10,819	\$11,128	\$11,502	prevention
Community Rehabilitation/Aftercare.....	\$35,143	\$36,146	\$37,362	treatment
Gila River.....	\$269	\$277	\$286	treatment
Contract Health Service.....	\$12,371	\$12,724	\$13,152	treatment
Navajo Rehab. Program....	\$476	\$490	\$506	treatment
Urban Clinical Services.....	\$1,014	\$1,043	\$1,078	treatment
Wellness Beyond Abstinence.....	\$1,169	\$1,202	\$1,243	prevention
Substance Abuse Prev & Treatment 2/.....	\$43,775	\$43,775	\$43,775	50/50 rx/prevention
<b>Total.....</b>	<b>\$245,602</b>	<b>\$251,360</b>	<b>\$258,343</b>	

**URBAN HEALTH PROGRAM 1/**

Amount of Funds	FY 2020 Final	FY 2021 Final	FY 2022 Final
Expand Urban Programs....	\$3,647	\$3,647	\$3,622

<b>Alcohol/Substance Abuse</b>	\$245,603	\$251,360	\$258,343
<b>Urban Health Program</b>	\$3,647	\$3,647	\$3,622
<b>GRAND TOTAL.....</b>	<b>\$249,250</b>	<b>\$255,007</b>	<b>\$261,965</b>

1/ The Urban Program was funded under P.L. 100-690, and is now funded under P.L. 102-573.

2/ Numbers revised to include Generation Indigenous, the Opioid initiative, and the YRTC Pilot Project - x year/no year funding starting FY 2020.

\*Adult Treatment funds are excluded from the ONDCP Drug Control Budget and Moyer Anti-Drug Abuse methodologies because this program reflects the original authorized program for IHS with the sole focus of alcoholism treatment services for adults. This determination was made in consultation with ONDCP when the drug control budget was initially developed in the early - 1990s.

\*\*Facilities is not shown - there has been no facilities funding since FY 2015.

**INDIAN HEALTH SERVICE  
FY 2022 Drug Control Obligations**

	<b>Enacted</b>	<b>Obligated</b>
<b>Drug Resources by Function</b>		
Prevention	\$34,632	\$15,760
Treatment	\$103,473	\$63,708
Construction	\$0	\$0
	<u>\$138,105</u>	<u>\$79,468</u>
<b>Drug Resources by Decision Unit</b>		
Alcohol and Substance Abuse	\$134,483	\$75,846
Urban Indian Health Program	\$3,622	\$3,622
Facilities Construction	\$0	\$0
	<u>\$138,105</u>	<u>\$79,468</u>

**DRUG METHODOLOGY:** The IHS splits the Drug Budget between the Alcohol and Substance Abuse (ASA) budget line and the ASA portion of the Urban 4-in-1 grants. This is split between treatment and prevention (all of the urban funds are treatment). Adult Treatment funds are excluded from the ONDCP Drug Control Budget and Moyer Anti-Drug Abuse methodologies because this program reflects the original program for IHS with the sole focus of alcoholism treatment services for adults. This determination was made in consultation with ONDCP when the drug control budget was initially developed in the early 1990s.

**METHODOLOGY MODIFICATIONS:** None

**MATERIAL WEAKNESSES or OTHER FINDINGS:** None

**REPROGRAMMING or TRANSFERS:** None

**OTHER DISCLOSURES:** None



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**

WASHINGTON, DC 20201



January 18, 2023

**TO:** Nathaniel Davis  
Chief Financial Officer  
National Institute on Drug Abuse

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

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

*Amy Frontz*

Digitally signed by  
AMY FRONTZ  
Date: 2023.01.18  
11:23:13 -05'00'

**SUBJECT:** Independent Attestation Review: *National Institutes of Health Fiscal Year 2022 Detailed Accounting Submission and Budget Formulation Compliance Report for National Drug Control Activities, and Accompanying Required Assertions*, A-03-23-00351

We have reviewed the attached National Institutes of Health's (NIH) National Institute on Drug Abuse (NIDA) and National Institute on Alcohol Abuse and Alcoholism (NIAAA) Office on National Drug Control Policy (ONDCP) Detailed Accounting Reports, which include the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2022. We also reviewed the Budget Formulation Compliance Reports, which include budget formulation information for the fiscal year ending September 30, 2024,<sup>1</sup> and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information. NIDA and NIAAA management are responsible for, and submitted, the Detailed Accounting Reports and Budget Formulation Compliance Reports, which were prepared in accordance with the ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (ONDCP Compliance Reviews Circular). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of NIDA and NIAAA's Detailed Accounting Reports for fiscal year 2022, NIDA and NIAAA's Budget Formulation Compliance Reports for fiscal year 2024, and management's assertions based on our review.

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,

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<sup>1</sup> Although NIDA and NIAAA's Budget Formulation Compliance Reports were provided to ONDCP as of fiscal year 2022, the budget figures reflect the fiscal year 2024 funding request.

as described in the U.S. Government Accountability Office 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 the Detailed Accounting Reports, Budget Formulation Compliance Reports, and management’s assertions for them to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether management’s reports and 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.

Notwithstanding the limited nature of the engagement, we believe that the review evidence obtained is sufficient in accordance with attestation standards and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

As part of our review, we performed review procedures on NIDA and NIAAA’s fiscal year 2022 Detailed Accounting Reports and fiscal year 2024 Budget Formulation Compliance Reports according to the ONDCP Compliance Reviews Circular’s criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in the NIDA and NIAAA reports. Those procedures included reviewing NIDA and NIAAA’s drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether NIDA and NIAAA submitted the summer budget timely and whether funding levels represented NIH requests.

Based on our review, we are not aware of any material modifications that should be made to NIDA and NIAAA’s Detailed Accounting Reports for fiscal year 2022 and NIDA and NIAAA’s Budget Formulation Compliance Reports for fiscal year 2024 and management’s assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

NIDA and NIAAA’s Detailed Accounting Report and Budget Formulation Compliance Report assertions are included as Attachments A, B, C, and D.<sup>2</sup>

\*\*\*\*\*

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and NIH. 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 [REDACTED]. Please refer to report number A-03-23-00351 in all correspondence.

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<sup>2</sup> Only the Budget Formulation Compliance Report assertions are included in Attachments C and D since the report contains prospective information.



National Institutes of Health  
National Institute on Drug Abuse  
Bethesda, Maryland 20892

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

Sheila Conley  
Deputy Assistant Secretary for Finance and  
Deputy Chief Financial Officer  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

**FROM:** Nathaniel Davis      Nathaniel M. Davis  
Chief Financial Officer      M. Davis -S  
National Institute on Drug Abuse      Digitally signed by  
Date: 2022.11.22  
16:19:11 -0500

**SUBJECT:** Fiscal Year 2022 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



National Institute on Drug Abuse FY 22 Detailed Accounting Report

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 2022 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 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 2022 enacted budget was \$1,596,123,000 (\$1,250,828,000 for direct and \$345,295,000 for research relating to the Opioid Crisis) which was an increase of \$116,463,000 above the FY 2022 CR amount. NIDA obligated \$1,596,069,443 of the Annual Appropriation and \$53,557 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 2022 are described above for the FY 2022 column of the FY 2023 PB.

National Institute on Drug Abuse FY 22 Detailed Accounting Report

**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.

ATTACHMENT

Exhibit A

NATIONAL INSTITUTES OF HEALTH  
NATIONAL INSTITUTE ON DRUG ABUSE  
FY 2022 Actual Obligations  
(Dollars in Thousands)

I. RESOURCE SUMMARY - ANNUAL APPROP

	FY 2022 Actual
<b>Drug Resources by Decision Unit:</b>	
National Institute on Drug Abuse	1,596,069
Total	1,596,069
<b>Drug Resources by Function:</b>	
Research and Development Prevention	418,854
Research and Development: Harm Reduction	183,813
Research and Development Treatment	894,062
Research and Development: Recovery	99,340
Total	1,596,069

Differences Between (1) Actual Obligations and (2) the FY 22 Column of the  
FY 23 CJ and the National Drug Control Strategy Budget Summary  
(Dollars in Thousands)

Total 2022 Column of the FY 2023 CJ; National Drug Control Strategy	1,479,660
FY 22 Enacted Increase to FY 22 CR	115,814
AIDS Transfer	649
Lapse of Funds	-54
<b>Total Annual Obligations</b>	<b>1,596,069</b>



National Institute on Drug Abuse FY 22 Detailed Accounting Report

**NATIONAL INSTITUTES OF HEALTH**  
**National Institute on Drugs and Addiction\***

**Amounts Available for Obligation<sup>1</sup>**  
(Dollars in Thousands)

Source of Funding	FY 2021 Final	FY 2022 CR	FY 2023 President's Budget
Appropriation	\$1,479,660	\$1,479,660	\$1,843,326
Mandatory Appropriation: (non-add)			
<i>Type 1 Diabetes</i>	(\$0)	(\$0)	(\$0)
<i>Other Mandatory financing</i>	(\$0)	(\$0)	(\$0)
Secretary's Transfer	-\$4,442	\$0	\$0
Subtotal, adjusted appropriation	\$1,475,218	\$1,479,660	\$1,843,326
OAR HIV/AIDS Transfers	\$649	\$0	\$0
Subtotal, adjusted budget authority	\$1,475,867	\$1,479,660	\$1,843,326
Unobligated balance, start of year	\$0	\$0	\$0
Unobligated balance, end of year (carryover)	\$0	\$0	\$0
<b>Subtotal, adjusted budget authority</b>	<b>\$1,475,867</b>	<b>\$1,479,660</b>	<b>\$1,843,326</b>
Unobligated balance lapsing	-\$62	\$0	\$0
Total obligations	\$1,475,805	\$1,479,660	\$1,843,326

<sup>1</sup> Excludes the following amounts (in thousands) for reimbursable activities carried out by this account:  
FY 2021 - \$83,548    FY 2022 - \$92,005    FY 2023 - \$76,448

\* The FY 2023 President's Budget proposes to rename the National Institute on Drug Abuse to the National Institute on Drugs and Addiction.

ATTACHMENT

**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 four functions:
    - Research and Development Prevention
    - Research and Development: Harm Reduction
    - Research and Development Treatment
    - Research and Development: Recovery
- (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 system.





December 13, 2022

**MEMORANDUM TO:** Director Office of National Drug Control Policy

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

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

Judit O'Connor -S  
Date: 2022.12.13  
08:54:13 -05'00'

**SUBJECT:** Fiscal Year 2022 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:

**Timeliness of Summer Budget Submission**

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)).

**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.

**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 6b(2) 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 6a 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 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 ALCOHOL ABUSE AND ALCOHOLISM FY 2022 ACTUAL  
OBLIGATIONS

(Dollars in Thousands)

FY 2022 Actuals	
<b>Drug Resources by Decision Unit</b>	
National Institute on Alcohol Abuse and Alcoholism (NIAAA)	
<b>Total Drug Resources by Decision Unit</b>	\$ 73,444
<b>Drug Resources by Function</b>	
Research and Development: Prevention	\$ 63,990
Research and Development: Treatment	\$ 9,453
<b>Total, Drug Resources by Function</b>	\$ 73,444

ATTACHMENT  
**Exhibit A**

(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 January 18<sup>th</sup>, 2013. 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

**DRUG CONTROL PROGRAMS**





National Institutes of Health  
National Institute on Drug Abuse  
Bethesda, Maryland 20892

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

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

**SUBJECT:** Assertions Concerning Fiscal Year 2024 Budget Formulation  
Summer Submission

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 13, 2022, 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.





November 30, 2022

**MEMORANDUM TO:** Director Office of National Drug Control Policy

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Budget  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

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

**Judit O'Connor -S**  
Digitally signed by  
Judit O'connor -S  
Date: 2022.11.30  
09:05:41 -05'00'

**SUBJECT:** Assertions Concerning Fiscal Year 2024 Budget Formulation Summer  
Submission

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 13, 2022, 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 Alcohol Abuse and Alcoholism without alteration or adjustment by any official at the Department.



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:** November 22, 2022

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Finance  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

**FROM:** Kurt E. John, EdD, MPA, MSF  
Director, Office of Financial Resources  
Substance use And Mental Health Services Administration

**SUBJECT:** Assertions Concerning Fiscal Year 2024 Budget Formulation Summer Submission

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:

**Summer Drug Budget Transmittal**

On June 22, 2022, the summer budget was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(1).

**Summer Drug Budget Resource Summary Table**

The report shall include a copy of the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2).

**Timeliness of Summer Budget Submission**

I assert that the summer drug budget submitted to ONDCP on June 22, 2022, under the cover letter provided in response to Section 6.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)

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## **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 ONDCP Circular: National Drug Control Program Agency Compliance Reviews to the Department without alteration or adjustment by any official at the Department.

**Kurt E. John -S** Digitally signed by Kurt E. John -  
Date: 2022.12.08 15:57:04 -05'00'

Kurt E. John, EdD, MPA, MSF  
Director, Office of Financial Resources  
Substance use And Mental Health Services Administration

## **Attachment**

- Exhibit A- FY 2024 Performance Budget Submission to DHHS

**Exhibit A**  
**FY 2024 Performance Budget Submission to DHHS**

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

*(Dollars in millions)*

<b>Resource Summary</b>	<b>FY 2022 Enacted</b>	<b>FY 2023 President's Budget</b>
Drug Resources by Decision Unit and Function		
Programs of Regional and National Significance		
Substance Abuse Prevention.....	\$218.22	\$226.41
Substance Abuse Treatment.....	435.08	530.71
Recovery .....	26.43	35.65
Harm Reduction.....	60.00	85.50
<b>Total Programs of Regional and National Significance.....</b>	<b>739.74</b>	<b>878.28</b>
State Opioid Response Grant <sup>1</sup> .....	1,509.75	1,980.00
Harm Reduction.....	15.25	20.00
<b>Total, State Opioid Response Grant.....</b>	<b>1,525.00</b>	<b>2,000.00</b>
Substance Abuse Prevention and Treatment Block Grant <sup>2</sup>		
Prevention.....	362.54	571.54
Treatment.....	1,526.46	2,105.66
Harm Reduction.....	19.08	30.08
Recovery.....	.	300.81
<b>Total, Substance Abuse Prevention and Treatment Block Grant.....</b>	<b>1,908.08</b>	<b>3,008.08</b>
Health Surveillance and Program Support <sup>3</sup>		
Prevention.....	31.06	27.27
Treatment.....	80.64	71.88
<b>Total, Health Surveillance and Program Support.....</b>	<b>111.70</b>	<b>99.15</b>
<b>Total Funding.....</b>	<b>\$4,284.51</b>	<b>\$5,985.51</b>
Drug Resources Personnel Summary		
Total FTEs <sup>4</sup>	240	335
Drug Resources as a Percent of Budget		
Total Agency Budget	<b>\$6,547.10</b>	<b>\$10,697.15</b>
Drug Resources Percentage	65.4%	56.0%

<sup>1</sup>The State Opioid Response Grant is split 99% to the Treatment function and 1% to the Harm Reduction function.

<sup>2</sup>The Substance Abuse Prevention and Treatment Block Grant is split 19% to the Prevention function, 70% to the Treatment function, 1% to the Harm Reduction function, and 10% to the Recovery function.

<sup>3</sup>The 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, 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%).

<sup>4</sup>Only Direct FTEs included in total.





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:** November 29, 2022

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

**THROUGH:** Norris Cochran  
Deputy Assistant Secretary for Finance  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

Sheila Conley  
Deputy Assistant Secretary for Finance and  
Deputy Chief Financial Officer  
Assistant Secretary for Financial Resources  
Office of the Secretary  
Department of Health and Human Services

**FROM:** Kurt E. John, EdD, MPA, MSF  
Director, Office of Financial Resources  
Substance use And Mental Health Services Administration

**SUBJECT:** Fiscal Year 2022 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:

## I. Drug Control Funding Obligations

### (a) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

We have attached the budget authority and obligations for the Drug Control programs for the most recent fiscal year 2022. Please refer to Attachment A and B for the tables.

### (b) Drug Methodology

The drug methodology provides a detailed description of how SAMHSA calculates drug control funding levels reported to ONDCP by decision unit and function. Please refer to Attachment B for the table.

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**(c) Methodology Modifications**

SAMHSA had to modify its drug methodology in June 2022, to comply with ONDCP revised Budget Formulation *Circular* that was published on September 9, 2021. A brief description of the new drug methodology is provided below.

**(d) Material Weaknesses or Other Findings**

SAMHSA completed their Annual Statement of Assurance on October 6, 2022, that included the review and evaluation of drug control obligations. As a result of the review, no material weaknesses were identified for the drug control obligations ending September 30, 2022.

**(e) Reprogramming's or Transfers**

SAMHSA did not have any reprogramming or transfers that affected its drug-related budgetary resources.

**(f) Other Disclosures**

SAMHSA does not have any other disclosures regarding the data reported under this circular.

**II. Assertions**

**(a) 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 in accordance with ONDCP Circular: *Budget Formulation*, Section 7.

**(b) 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.

**(c) Application of Drug Methodology**

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

**(d) Material Weaknesses or Other Findings**

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



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**(e) Methodology Modifications**

I assert the drug methodology was modified in the Department Budget submission of June 2022, to add the Harm Reduction and Recovery functions in accordance with the ONDCP Circular, *Budget Formulation*, dated September 9, 2021. The addition of these two new functions required SAMHSA to update the percentage splits for the Substance Abuse Prevention and Treatment Block Grant (SABG) and the State Opioid Response Grants (SOR). The SABG is now split 19% to Prevention, 1% to Harm Reduction, 70% to Treatment, and 10% to Recovery. The SOR is now split 19% to Prevention and 1% to Harm Reduction. Within the total for Treatment, Health Surveillance and Program Support was modified and is now assessed at 72% Treatment, 3% toward Harm Reduction, and 5% toward Recovery.

**(f) Reprogramming or Transfers**

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

**(g) Fund Control Notices**

I assert that the data presented are associated with obligations against SAMHSA's operating plan, which complied fully with 21 U.S.C. § 1703(f) and Section 9 of the ONDCP *Circular*, Budget Execution.

Kurt E. John -S

Digitally signed by Kurt E. John

Date: 2022.12.08 15:55:51

-05'00'

Kurt E. John, EdD, MPA, MSF  
Director, Office of Financial Resources  
Substance use And Mental Health Services Administration

**Attachments**

- A: FY 2022 Drug Control Obligations Using New Methodology
- B: FY 2022 Drug Control Obligations Using Old Methodology
- C: FY 2022 Drug Control Methodology

**Attachment A**  
**SUBSTANCE USE AND MENTAL HEALTH SERVICES ADMINISTRATION**  
**FY 2022 Drug Control Obligations (New Methodology)**  
*(Dollars in millions)*

**Drug Resources by Decision Unit and Function**

	Actual Obligation
Programs of Regional and National Significance (PRNS) <sup>1</sup>	
Prevention <sup>2</sup> .....	217.92
Harm Reduction .....	89.40
Treatment <sup>3</sup> .....	409.94
Recovery .....	25.90
<b>Total, PRNS</b> .....	<b>743.15</b>
State Opioid Response Grants	
State Opioid Response Grants .....	1,509.75
Harm Reduction .....	15.25
<b>Total, SOR</b> .....	<b>1,524.99</b>
Substance Abuse Prevention and Treatment Block Grant (SABG) <sup>4</sup>	
Prevention .....	361.89
Harm Reduction .....	19.05
Treatment .....	1,523.75
Recovery .....	.00
<b>Total, SABG</b> .....	<b>1,904.69</b>
Health Surveillance and Program Support (HSPS) <sup>5</sup>	
Prevention .....	21.35
Harm Reduction .....	3.20
Treatment .....	76.87
Recovery .....	5.34
<b>Total, HSPS</b> .....	<b>106.76</b>
<b>Total Funding</b> .....	<b>4,279.60</b>
<b>Drug Resources Personnel Summary</b>	
Total Full Time Equivalent (FTEs) <sup>6</sup> .....	301
<b>Drug Resources as a Percent of Budget</b>	
Total Agency Budget (in billions) .....	6,503.47
Drug Resources Percentage .....	65.8%

*Footnotes:*

<sup>1</sup> 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 Use Services and Harm Reduction PRNS obligations include funds provided to SAMHSA from the PHS evaluation fund.

<sup>2</sup> The total for Prevention includes admin/overhead costs of \$4.1M.

<sup>3</sup> The total for Treatment includes admin/overhead costs of \$14M.

<sup>4</sup> Substance Abuse Prevention and Treatment Block Grant obligations include funds provided to SAMHSA from the PHS evaluation fund.

<sup>5</sup> 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.

<sup>6</sup> SAMHSA's FY 2022 final FTE (458) \* Drug Resources Percentage (65.8%) = 301 Drug Resources FTE. Only direct FTEs included in total.

**Attachment B**  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**SUBSTANCE USE AND MENTAL HEALTH SERVICES ADMINISTRATION**  
**FY 2022 Drug Control Obligations (Old Methodology)**  
*(Dollars in millions)*

**Drug Resources by Decision Unit and Function**

	Actual Obligation
Programs of Regional and National Significance (PRNS) <sup>1</sup>	
<i>Prevention</i> <sup>2</sup> .....	\$217.92
<i>Treatment</i> <sup>3</sup> .....	525.24
<b>Total, PRNS</b> .....	<b>743.15</b>
<b>State Opioid Response Grants (SOR)</b> .....	<b>1,524.99</b>
Substance Abuse Prevention and Treatment Block Grant (SABG) <sup>4</sup>	
<i>Prevention</i> .....	380.94
<i>Treatment</i> .....	1,523.75
<b>Total, SABG</b> .....	<b>1,904.69</b>
Health Surveillance and Program Support (HSPS) <sup>5</sup>	
<i>Prevention</i> .....	21.39
<i>Treatment</i> .....	85.56
<b>Total, HSPS</b> .....	<b>106.95</b>
<b>Total Funding</b> .....	<b>4,279.79</b>
<b>Drug Resources Personnel Summary</b> <sup>6</sup>	
<i>Total Full time Equivalent (FTEs)</i> .....	301
<b>Drug Resources as a Percent of Budget</b>	
<i>Total Agency Budget</i> .....	6,503.47
<i>Drug Resources Percentage</i> .....	65.8%
<i>Footnotes:</i> .....	

<sup>1</sup> 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 Use Services PRNS obligations includes funds provided to SAMHSA from the Public Health Services (PHS) evaluation funds.

<sup>2</sup> The total for Prevention includes admin/overhead costs of \$4.1M.

<sup>3</sup> The total for Treatment includes admin/overhead costs of \$14M.

<sup>4</sup> SABG obligations include funds provided to SAMHSA from the PHS evaluation funds.

<sup>5</sup> The 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 includes funds provided to SAMHSA from the PHS evaluation funds.

<sup>6</sup> SAMHSA's FY 2022 final FTE (458) \* Drug Resources Percentage (65.8%)= 301 Drug Resources FTE. Only direct FTEs included in total.

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**Attachment C**  
**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 September 09<sup>th</sup>, 2021. These units are:
- Programs of Regional and National Significance (PRNS)-Prevention (CSUPS);
  - Programs of Regional and National Significance (PRNS)-Harm Reduction<sup>1</sup>;
  - Programs of Regional and National Significance (PRNS)-Treatment (CSUS);
  - Programs of Regional and National Significance (PRNS)-Recovery<sup>2</sup>;
  - Substance Abuse Prevention and Treatment Block Grant-Prevention, Harm Reduction, Treatment, Recovery;
  - State Opioid Response Grant-Harm Reduction
  - Health Surveillance and Program Support <sup>3</sup> – SAMHSA.

Included in this Drug Control Accounting report for FY 2022 are 100 Percent of the actual obligations for these seven budget decision units, minus reimbursements. Obligations against funds provided to SAMHSA from the PHS evaluation fund are included.

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<sup>1</sup> New function added in FY 2022.

<sup>2</sup> New function added in FY 2022.

<sup>3</sup> The Health Surveillance and Program Support Appropriation funded activities are split between Mental Health and Drug Control as follows:

- The Drug Abuse Warning Network is allocated fully to Drug Control. Program Support, Health Surveillance and PQIS are proportionally assessed under drug control by determining the proportion of SAMHSA's total budget that covers Mental Health services (the Center for Mental Health Services) and the proportion covering Drug Control-related services (the Center for Substance Use Services and the Center for Substance Use Prevention Services).
- Public Awareness and Support, Behavioral Health Workforce Data and Development and Data Request and Publication User Fees are assessed at 50% of total appropriated funds are directed toward drug control activities.
- The drug control total for HSPS after these calculations is allocated between Prevention (20%) and Treatment (80%). Within the total for Treatment, HSPS is assessed at 3% toward harm reduction and 5% toward recovery, consistent with the drug control methodology

- 
- b. **Obligations by Drug Control Function** – SAMHSA distributes drug control funding into four functions- prevention, harm reduction, treatment, recovery:

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

- PRNS direct funds, excluding reimbursable authority obligations;
- 19 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 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;
  - Performance and Quality Information Systems (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;
  - Drug Abuse Warning Network (DAWN) is fully allocated to drug control with 20 percent of the portion 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.

**Harm Reduction:** This total reflects the sum of the actual obligations for

- PRNS direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS Evaluation funds;
- 1 percent of the actual obligations of the SOR funds;
- 1 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 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 3 percent of the SA portion is considered Harm Reduction;
    - PQIS funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 3 percent of the SA portion is considered Harm Reduction;
    - Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 3 percent of the SA portion is considered Harm Reduction;
    - Health Surveillance funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 3 percent of the SA portion is considered Harm Reduction;
    - Drug Abuse Warning Network (DAWN) is fully allocated to drug control with 3 percent of the portion considered Harm Reduction; and,
    - Behavioral Health Workforce Data and Development split 50/50 between SA and MH and 3 percent of the SA portion is considered Harm Reduction.

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

- PRNS direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS Evaluation funds;
- 80 percent<sup>4</sup> of the actual obligations of the SABG funds, including obligations related to receipt of PHS Evaluation funds;
- 99 percent of the actual obligations of the SOR 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 72 percent of the SA portion is considered Treatment;

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<sup>4</sup> In FY 2023, the SABG will be split 19% to the Prevention function, 1% to the Harm Reduction function, 70% to the Treatment function, and 10% to the Recovery function. The FY 2022 obligations for the SABG are split 19% to the Prevention function, 1% to the Harm Reduction function, and 80% to the Treatment function.



- 
- PQIS funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 72 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 72 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 72 percent of the SA portion is considered Treatment;
  - Drug Abuse Warning Network (DAWN) is fully allocated to drug control with 72 percent of the portion considered Treatment; and,
  - Behavioral Health Workforce Data and Development split 50/50 between SA and MH and 72 percent of the SA portion is considered Treatment.

**Recovery:** This total reflects the sum of the actual obligations for:

- PRNS direct funds, excluding reimbursable authority obligations; 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 5 percent of the SA portion is considered Recovery
  - PQIS funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 5 percent of the SA portion is considered Recovery;
  - Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 5 percent of the SA portion is considered Recovery;
  - Health Surveillance Funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 5 percent of the SA portion is considered Recovery;
  - Drug Abuse Warning Network (DAWN) is fully allocated to drug control with 5 percent of the portion considered Recovery; and,

- 
- Behavioral Health Workforce Data and Development split 50/50 between SA and MH and 5 percent of the SA portion is considered Recovery.

TAB G



OFFICE *of*  
**INSPECTOR GENERAL**  
★ ★ ★ ★  
UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

# U.S. Department of Housing and Urban Development

ATTESTATION REVIEW OF HUD'S COMPLIANCE WITH  
OFFICE OF NATIONAL DRUG CONTROL POLICY FOR FISCAL  
YEAR 2022 | 2023-FO-0801

January 31, 2023

Date: January 31, 2023

To: Claudette Fernandez  
General Deputy Assistant Secretary for Community Planning and Development, D

//signed//

From: Kilah S. White  
Assistant Inspector General for Audit, GA

Subject: Independent Attestation Review of the U.S. Department of Housing and Urban Development's Compliance With Office of National Drug Control Policy (ONDCP) Requirements for Fiscal Year 2022 Reporting

We have reviewed the U.S. Department of Housing and Urban Development's Detailed Accounting Report and the related management assertions for National Drug Control Program activities for the fiscal year ended September 30, 2022. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for fiscal year 2024, and the related management assertions for National Drug Control Program activities. HUD's management is responsible for preparing the Detailed Accounting Report and Budget Formulation Compliance Report in accordance with (or based on) the Office of National Drug Control Policy's (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021. Our responsibility is to express a conclusion about the reliability of each assertion made in these reports.

We performed this review as required by section 705(d) of Public Law 105-277, which requires National Drug Control Program agencies to submit to the Director of ONDCP a detailed accounting of all funds spent by the agencies for National Drug Control Program activities during the previous fiscal year and that the accounting be authenticated by agency Inspectors General before submission.

We conducted our attestation review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 in order for them to be in accordance with the ONDCP compliance reviews circular. The procedures performed in a review vary in nature and timing from and are substantially less extensive than an examination, the objective of which is to obtain reasonable assurance about whether management's assertions are in accordance with (or based on) the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.



We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

For our review, we performed the following: (1) reviewed HUD's evidence for the assertions, (2) reviewed HUD's source files for data reported in the Detailed Accounting Report, (3) determined whether HUD made the assertions required by ONDCP, and (4) made necessary inquiries of HUD and ONDCP personnel.

Based upon our review, we are not aware of any material modifications that should be made to HUD's Detailed Accounting Report and Budget Formulation Compliance Report in order for them to be in accordance with (or based on) ONDCP's Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021.

HUD's management's assertions, along with the Detailed Accounting Report and Budget Formulation Compliance Report, are included as appendix B.

Although this report is an unrestricted public document, its purpose is to authenticate HUD's reporting on national drug control spending to the director of ONDCP. This report is not suitable for any other purpose.

Thank you for the cooperation and participation of HUD personnel in completing the attestation review. If you have any questions or comments about this report, please call Brittany Wing, Audit Director, at [REDACTED]

Appendices:

Auditee's Comments

Management Representation Letter, HUD's Budget Formulation Compliance Report, and Detailed Accounting Report

cc:

Dear Beloved, Senior Advisor, Interagency Performance, Office of National Drug Control Policy  
Marion McFadden, Principal Deputy Assistant Secretary for Community Planning and Development, D  
Jemine A. Bryon, Deputy Assistant Secretary for Special Needs, Community Planning and Development,  
DN

Benjamin C. Schwartz, Deputy Director, Office of Block Grant Assistance, State and Small Cities Division,  
Community Planning and Development, DGBS

George J. Tomchick, Deputy Chief Financial Officer, F

YunChong Yi, Director of Budget Division, Office of Technical Assistance and Management, Community  
Planning and Development, DOTB

Norman Suchar, Director, Office of Special Needs Assistance Programs, Community Planning and  
Development, DNS

Tonya Proctor, Deputy Director, Office of Special Needs Assistance Programs, Community Planning and  
Development, DNS

William Snow, Specialist, Office of Special Needs Assistance Programs, Community Planning and  
Development, DNS



Sean Joyner, Program Analyst, Office of Policy Development and Coordination, Community Planning and Development, DOP

Monica Wallace, Supervisory Specialist, Office of Policy Development and Coordination, Community Planning and Development, DOP

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

Emily M. Kornegay, Assistant Chief Financial Officer for Budget, FO

Melajo Kubacki, Assistant Chief Financial Officer for Financial Management, Office of the Chief Financial Officer, FM

Mary Didier, Senior Budget Analyst, Office of the Chief Financial Officer, FOPA

Shannon E. Steinbauer, Director, Audit Liaison Division, Office of the Chief Financial Officer for Financial Management, FMA

Susan Adams, Audit Liaison Officer, Office of the Chief Financial Officer for Financial Management, FMC

Appendix A – Auditee’s Comments



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

OFFICE OF THE CHIEF FINANCIAL OFFICER

**HUD OCFO MEMO 23-25**

January 23, 2023

MEMORANDUM FOR: Kilah S. White, Assistant Inspector General for Audit, GA  
George Tomchick Digitally signed by George Tomchick  
Date: 2023.01.23 15:54:59 -05'00'

FROM: George J. Tomchick, III, Deputy Chief Financial Officer, F

SUBJECT: Attestation Review of HUD’s Compliance with ONDCP for  
Fiscal Year 2022

Dear Ms. White:

Thank you for the opportunity to review and comment on the draft attestation review. The Office of the Chief Financial Officer does not have any comments to include in the final report. We value HUD OIG’s efforts and professionalism throughout the attestation review process.

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Appendix B - Management Representation Letter, HUD's Budget Formulation Compliance Report, and Detailed Accounting Report



OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

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

January 31, 2023

Ms. Kilah S. White  
Assistant Inspector General for Audit  
U.S. Department of Housing and Urban Development  
Office of Inspector General  
451 7<sup>th</sup> Street SW, Room 8254  
Washington, DC 20410-0001

Dear Assistant Inspector General for Audit, Kilar White:

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 COC grantees 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 homeless people dealing with chronic substance abuse issues that may have been served with HUD funds based on application data.

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, 2022 (P.L. 117-103) provided \$25 million for such purposes.

We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2022 Budget Formulation Compliance and Detailed Accounting submission to ONDCP:

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

1. The HUD FY 2024 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 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 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

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[espanol.hud.gov](http://espanol.hud.gov)



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. There were no modifications made to the methodology for reporting drug control resources from the previous year's reporting.
6. 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 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 are 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,

Claudette  
Fernandez

Digitally signed by Claudette  
Fernandez  
Date: 2023.01.24 14:22:04 -05'00'

Claudette Fernandez  
General Deputy Assistant Secretary  
Office of Community Planning and Development

**Attachment**

cc: Marion McFadden, Principal Deputy Assistant Secretary, CPD  
George Tomchick, Deputy Chief Financial Officer, F  
Yunchong Yi, Director, CPD Budget, DOTB  
Jemine A. Bryon, Deputy Assistant Secretary for Special Needs, CPD, DN

Norman Suchar, Director, SNAPS, DNS  
Tonya Proctor, Deputy Director, SNAPS, DNS  
William Snow, Specialist, SNAPS, DNS  
Elizabeth S. Hendrix, Acting Deputy Assistant Secretary, OBGA, CPD  
Benjamin C. Schwartz, Deputy Director, OBGA/SSCD, DGBS  
Danielle Palmer, Financial Operations Analyst, CFO Funds Control Assurance Division, FMC  
Emily M. Komegay, Assistant CFO for Budget, FO  
Mary Didier, Senior Budget Analyst, OCFO

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### Office of Community Planning and Development FY 2022 Budget Formulation Compliance Report

#### SUMMER BUDGET INFORMATION

On June 13, 2022, the summer budget was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a. (1).

HUD's Summer Drug Budget resource summary table was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2).

HUD's Summer Budget resource summary table---

#### **Resource Summary**

	Budget Authority (in millions)	
	FY 2022 Enacted	FY 2023 Request
<b>Drug Resources by Function</b>		
Treatment	\$675.268	\$756.217
<b>Total Drug Resources by Function</b>	<b>\$675.268</b>	<b>\$756.217</b>
<b>Drug Resources by Decision Unit</b>		
Continuum of Care: Homeless Assistance Grants	\$650.268	\$731.217
Section 8071 Pilot Recovery Housing Program	\$25.000	\$25.000
<b>Total Drug Resources by Function</b>	<b>\$675.268</b>	<b>\$756.217</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	---	---
<b>Drug Resources as a percent of Budget</b>		
Total Agency Budget (in Billions)	\$65.7	\$71.9
Drug Resources percentage	1.0%	1.1%

#### MANAGEMENT ASSERTIONS

FY 2022 HUD Budget Formulation Compliance Report Detail Accounting Report



We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2022 Budget Formulation Compliance submission to ONDCP:

1. The HUD FY 2024 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 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 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.

FY 2022 HUD Budget Formulation Compliance Report Detail Accounting Report

[--START NEW DOCUMENT--](#)

**Department of Housing and Urban Development**  
**FY 2022 Detailed Accounting Report**

**Resource Summary**

	Budget Authority (in millions)
	FY 2022 Enacted
<b>Drug Resources by Function</b>	
Recovery	\$660.688
<b>Total Drug Resources by Function</b>	<b>\$660.688</b>
<b>Drug Resources by Decision Unit</b>	
Continuum of Care: Homeless Assistance Grants	\$635.688
Section 8071 Pilot Recovery Housing Program	\$25.000
<b>Total Drug Resources by Function</b>	<b>\$660.688</b>
<b>Drug Resources Personnel Summary</b>	
Total FTEs (direct only)	---
<b>Drug Resources as a percent of Budget</b>	
Total Agency Budget (in Billions)	\$65.7
Drug Resources percentage	1.0%

**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 2021) shows that 21.8 percent of clients served will receive substance use treatment. HUD relied on the fiscal year 2021 competition data because grants funded from that year's appropriation (FY 2022) operate during calendar year 2022, which most closely aligns to the reporting period in this report. HUD then multiplies this number by the CoC appropriation to determine the anticipated amount that will be spent on serving persons with chronic substance

FY 2022 HUD Budget Formulation Compliance Report Detail Accounting Report

abuse issues. The fiscal year 2022 appropriation for the CoC Program, inclusive of the Youth Homelessness Demonstration Program funding, was \$2.916 billion, of which \$635.7 million (rounded) is anticipated to be spent on persons with chronic substance abuse issues.

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, 2022 (P.L. 117-103) provided \$25 million for such purposes. The pilot program has been established for FY 2019-FY 2023, though it was not funded in 2019. For consistency in presentation of HUD's drug-related funding activities, budget authority is provided in the Resource Summary table, with the assumption that all appropriations will obligate. Obligations to date include \$500,000 in 2020, \$7,591,513 in 2021, and \$36,835,062 in 2022.

#### **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 2022.

#### **OTHER DISCLOSURES**

HUD has not identified any other disclosures relating to the fiscal year 2022 drug control funds.

#### **MANAGEMENT ASSERTIONS**

We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2022 Detailed Accounting Report submission to ONDCP:

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,

FY 2022 HUD Budget Formulation Compliance Report Detail Accounting Report

which may affect the presentation of prior year drug-related obligations have been disclosed.

5. There were no modifications made to the methodology for reporting drug control resources from the previous year's reporting.
6. 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 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 are 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*.

FY 2022 HUD Budget Formulation Compliance Report Detail Accounting Report

# Tab H



**Review of U.S. Customs  
and Border Protection's  
Fiscal Year 2022 Drug  
Control Budget  
Formulation Compliance  
Report**







## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

January 31, 2023

MEMORANDUM FOR: Troy A. Miller  
Acting Commissioner  
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V  
CUFFARI** Digitally signed by  
JOSEPH V CUFFARI  
Date: 2023.01.30  
16:09:04 -07'00'

SUBJECT: *Review of U.S. Customs and Border Protection's Fiscal  
Year 2022 Drug Control Budget Formulation Compliance  
Report*

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's Fiscal Year 2022 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 20, 2023, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, 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.

If you have any questions, please call me at [REDACTED] your staff may call Bruce Miller, Deputy Inspector General for Audits, at the same number.

Attachment

cc: Chief Accountability Officer, CBP



# DHS OIG HIGHLIGHTS

## *Review of U.S. Customs and Border Protection's Fiscal Year 2022 Drug Control Budget Formulation Compliance Report*

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**January 31, 2023**

### **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](mailto: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 2022 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 2022 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 Review 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, 2022. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Among other requirements, the Circular requires CBP to submit their summer drug budget directly to the Office of National Drug Control Policy (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, 2022, for them to be in conformity with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DHS Office of Inspector General, CBP, and the ONDCP, 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 20, 2023



1300 Pennsylvania Avenue NW  
Washington, DC 20229



## U.S. Customs and Border Protection

January 20, 2023

Dr. Rahul Gupta  
Director  
Office of National Drug Control Policy  
Executive Office of the President  
Washington, DC 20503

Dear Dr. Gupta:

Enclosed is the CBP FY 2022 Budget Formulation Compliance Report (BFCR) on National Drug Control Funding. In FY 2022, CBP reported direct obligations of approximately \$3,436.2 million.

If you have any questions or would like additional information, please contact me at

[REDACTED]

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey Caine".

Jeffrey Caine  
Chief Financial Officer & Assistance Commissioner  
Office of Finance  
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 2022 Drug Control Funds**

BUDGET FORMULATION COMPLIANCE REPORT (BFCR)

**A. Summer Budget Formulation Information**

**(1) Summer Drug Budget Transmittal**

CBP's Fiscal Year (FY) 2024 Summer Drug Budget Transmittal was provided to the Department of Homeland Security (DHS) Budget Office on July 22, 2022, for further transmission by DHS to ONDCP on July 22, 2022.

**(2) Summary Table of Fiscal Year 2022 Summer Drug Control Obligations**

	Budget Authority (in Millions)	
	FY 2022 Enacted	FY 2023 President's Budget
<b>Drug Resources by Function</b>		
Intelligence	\$1,053.432	\$1,107.149
Interdiction	\$2,302.788	\$2,264.419
<b>Total Drug Resources by Function</b>	<b>\$3,356.220</b>	<b>\$3,371.568</b>
<b>Drug Resources by Decision Unit</b>		
Operations and Support	<b>\$3,191.466</b>	<b>\$3,252.150</b>
<i>Border Security Operations</i>	\$756.581	\$760.655
<i>Trade and Travel Operations</i>	\$1,585.461	\$1,604.910
<i>Integrated Operations</i>	\$791.439	\$827.625
<i>Mission Support</i>	\$57.985	\$58.960
Procurement, Construction, and Improvements	<b>\$164.754</b>	<b>\$119.418</b>
<i>Border Security Operations</i>	\$38.400	\$12.075
<i>Trade and Travel Operations</i>	\$66.990	\$0
<i>Integrated Operations</i>	\$59.364	\$107.343
<b>Total Drug Resources by Decision Unit</b>	<b>\$3,356.220</b>	<b>\$3,371.568</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	12,280	11,783
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$15.95	\$17.45
Drug Resources Percentage	21%	19.3%

**B. Assertions**

**(1) Timeliness of Summer Budget Submission**

CBP asserts that the FY 2024 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 2024 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.





**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

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**Appendix A**  
**Report Distribution**

**Department of Homeland Security**

Secretary  
Deputy Secretary  
Chief of Staff  
Deputy Chiefs of Staff  
General Counsel  
Executive Secretary  
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  
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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To view this and any of our other reports, please visit our website at:  
[www.oig.dhs.gov](http://www.oig.dhs.gov).

For further information or questions, please contact Office of Inspector General  
Public Affairs at: [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov).

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### **OIG Hotline**

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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 2022 Detailed  
Accounting Report for  
Drug Control Funds**







## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

January 30, 2023

MEMORANDUM FOR: Troy A. Miller  
Acting Commissioner  
U.S. Customs and Border Protection

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

Digitally signed by JOSEPH V CUFFARI  
Date: 2023.01.30 14:18:16 -0700'

SUBJECT: *Review of U.S. Customs and Border Protection's Fiscal Year 2022 Detailed Accounting Report for Drug Control Funds*

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's Fiscal Year 2022 Detailed Accounting Report for Drug Control Funds*. U.S. Customs and Border Protection (CBP) management prepared the Table of FY 2022 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 20, 2023, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, 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.

If you have any questions, please call me at [REDACTED] or your staff may call Bruce Miller, Deputy Inspector General for Audits, at the same number.

Attachment

cc: Chief Accountability Officer, CBP



# DHS OIG HIGHLIGHTS

## *Review of U.S. Customs and Border Protection's Fiscal Year 2022 Detailed Accounting Report for Drug Control Funds*

January 30, 2023

### 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](mailto: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 2022 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 2022 Detailed Accounting Report and related assertions are not presented in conformity with the criteria in the ONDCP Circular.





## Independent Accountant's Review 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, 2022. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

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 (OI), a CBP program office, expends funding for drug control activities but CBP was unable to determine whether the OI was omitted from CBP's Table of Fiscal Year (FY) 2022 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.



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, 2022, in order for them to be in conformity with the requirements set forth in the Circular.

The purpose of this report is to authenticate the DAR as required by the Circular based on our review and is not suitable for any other purpose. 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 20, 2023

1300 Pennsylvania Avenue NW  
Washington, DC 20229



## U.S. Customs and Border Protection

January 20, 2023

Dr. Rahul Gupta  
Director  
Office of National Drug Control Policy  
Executive Office of the President  
Washington, DC 20503

Dear Dr. Gupta:

Enclosed is the CBP FY 2022 Detailed Accounting Report (DAR) on National Drug Control Funding. In FY 2022, CBP reported direct obligations of approximately \$3,436.2 million.

If you have any questions or would like additional information, please contact me at



Sincerely,

A handwritten signature in cursive script that reads "Jeffrey Caine".

Jeffrey Caine  
Chief Financial Officer & Assistance Commissioner  
Office of Finance  
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 2022 Drug Control Funds**

DETAILED ACCOUNTING REPORT

**A. Table of Fiscal Year (FY) 2022 Drug Control Obligations**

<b>Drug Resources by Budget Decision Unit</b>	<b>FY 2022 Final (\$ In Millions)</b>
Operations and Support (O&S)	\$3,327.141
Procurement, Construction, and Improvements (PC&I)	\$109.078
<b>Total Resources by Budget Decision Unit</b>	<b>\$3,436.219</b>
<b>Drug Resources by Drug Control Function</b>	
<b>Intelligence</b>	
United States Border Patrol	\$24.247
Office of Field Operations	\$338.995
Office of Information and Technology	\$11.712
Office of Training and Development	\$1.713
Air and Marine Operations	\$184.270
<b>Intelligence - Total</b>	<b>\$560.937</b>
<b>Interdiction</b>	
United States Border Patrol	\$770.733
Office of Field Operations	\$1,362.313
Office of Information and Technology	\$7.481
Office of Training and Development	\$41.547
Air and Marine Operations	\$693.208
<b>Interdiction - Total</b>	<b>\$2,875.282</b>
<b>Total Resources by Drug Control Function</b>	<b>\$3,436.219</b>
<b>Total Obligations</b>	<b>\$3,436.219</b>
<b>High Intensity Drug Trafficking Area (HIDTA)</b>	

Note: Drug resources broken down by unit and function as reflected in the budget structure enacted in the Consolidated Appropriations Act, 2022, PL 117-103.

**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 five 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), 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, OTD, and AMO each attribute their resources to both intelligence and interdiction functions.

The Drug Control Obligations table is based on actual obligations for each decision unit and program office named above for FY 2022. 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 19,234 Border Patrol agents, as of November 5, 2022, 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 881 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 2022 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 2022. 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 25,392 CBPOs in FY 2022, 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 476 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 16.49 percent for interdiction and 0.68 percent for intelligence for FY 2022. 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 2022, AMO P-3 aircraft flew 6,146 hours in drug control efforts, which represent 83 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 137,148 pounds of cocaine in the Source and Transit zones. This equates to 22.3 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 83 percent of the budget resources that support AMO are considered drug-related. Of the total flight hours flown by AMO, 21 percent were related to intelligence and 79 percent were related to interdiction in FY 2022.

The source data for the financial information/flight hour information is retrieved from Air and Marine's official system of record, the Tasking and Operations Management Information System (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 2022 remained the same as the methodology used in FY 2021 for the reported program offices.

### 3. Material Weaknesses or Other Findings

In FY 2022, CBP contributed to two of the Departmental material weaknesses: Information Technology Controls and Information Systems, as well as 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 2022 Drug Control Obligations. Also, during FY 2022, 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, were 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 2022.

ONDCP has reviewed and approved the following DHS reprogrammings and transfers:

- CBP Family Reunification and Intel Transfer/Reprogramming in the amount of \$33.9 million. This transfer/reprogramming includes:
  - Family Reunification (\$27M) – neither use nor source of funds contribute to drug interdiction or intelligence efforts.
  - Human Smuggling Disruption – Southwest Border Coordination Center (\$6.9M) – this reduced USBP's drug related budgetary resources by \$6M.
- Department of Homeland Security FY 2022 Reprogramming and Transfer Notifications in the amount of \$318.1 million. This reprogramming increased AMO's drug related budgetary resources by \$16.9M to cover pay shortfalls in the AMO Programs, Projects, and Activities (PPA).
- ICE Southwest Border Emerging Requirements, Operational Shortfalls in the amount of \$345.7 million. This transfer/reprogramming reduced drug related budgetary resources for AMO (\$9.3M), OFO (\$4.6M), and USBP (\$15.4M).

Overall, these transfers/reprogrammings reduced CBP's drug related budgetary resources by a net of \$18.4M for FY 2022.

### 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 2022 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 2022.



## **OFFICE OF INSPECTOR GENERAL**

Department of Homeland Security

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### **Appendix A Report Distribution**

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Department of Homeland Security  
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Attention: Hotline  
245 Murray Drive, SW  
Washington, DC 20528-0305





**FEMA**

June 24, 2022

MEMORANDUM TO: Rahul Gupta  
Director for the Office of  
National Drug Control Policy

FROM: For Mary F. Comans  
Chief Financial Officer

SUBJECT: FY 2024 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 2024 Drug Budget Exhibit.

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 Robert Simpson at (202) 674-3268 or [robert.simpsonjr@fema.dhs.gov](mailto:robert.simpsonjr@fema.dhs.gov).

Enclosures:  
FEMA FY 2024 Summer Budget and Performance Summary

# FY 2024 Summer Budget and Performance Summary

## DEPARTMENT OF HOMELAND SECURITY

### Federal Emergency Management Agency

#### RESOURCE SUMMARY

	Budget Authority (in millions)		
	FY2022 Enacted <sup>1</sup>	FY 2023 President's Budget <sup>2</sup>	█ █ █ <sup>3</sup>
<b>Drug Resources by Function</b>			
State and Local Assistance	\$13.500	\$13.500	█
<b>Total Drug Resources by Function</b>	<b>\$13.500</b>	<b>\$13.500</b>	█
<b>Drug Resources by Decision Unit</b>			
Operations & Support	\$13.500	\$13.500	█
<b>Total Drug Resources by Decision Unit</b>	<b>\$13.500</b>	<b>\$13.500</b>	█
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	0	0	█
<b>Drug Resources as a percent of Budget</b>			
Total Agency Budget <sup>4</sup>	\$5,242	\$5,099	█
Drug Resources Percentage <sup>5</sup>	<0.1%	<0.1%	█
Drug Resources by Budget Decision Unit and Program			
Decision Unit Name: Operation Stonegarden			
Operation Stonegarden	\$13.500	\$13.500	█
Total Decision Unit Operation Stonegarden	\$13.500	\$13.500	█
Total Funding	\$13.500	\$13.500	█

#### PROGRAM SUMMARY

##### MISSION

The Federal Emergency Management Agency's (FEMA) mission is to reduce the loss of life and property and protect communities nationwide from all hazards, including natural disasters, acts of terrorism, and other man-made disasters. FEMA leads and supports the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.

##### METHODOLOGY

Operation Stonegarden (OPSG) grants are awarded by FEMA in coordination with 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 through increased

<sup>1</sup> 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.

<sup>2</sup> Amount is notional and subject to change upon enacted legislation.

<sup>3</sup> Amount is notional and subject to change upon enacted legislation.

<sup>4</sup> Amount does not include Budget Control Act dollars for major disasters under the Disaster Relief Fund.

<sup>5</sup> The Drug Resources Percentage is based on the CBP estimate of 15 percent of OPSG will benefit drug enforcement, not actual data.

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 specific amount expended for drug enforcement cannot be determined.

## **BUDGET SUMMARY PERFORMANCE**

### **FY 2021 Performance Highlights**

Below is the associated narcotics enforcement performance data in (kilos and pounds) resulting from OPSG funded patrols as reported by the OPSG partners in Daily Activity Reports for calendar year 2020.

<b>Type</b>	<b>2021 Totals (Kgs.)</b>	<b>2021 Totals (Lbs.)</b>
<b>Narcotics Cases</b>	<i>2,661</i>	<i>2,661</i>
Cocaine	1,757.88	3,867.34
Heroin	180.51	397.12
Marijuana	10,310.44	22,682.97
Methamphetamine	3,450.47	7,591.03.20
Other Narcotics (i.e., Fentanyl, Ecstasy)	2,446.77	5,382.89
<b>Total Seizure Weight</b>	<b>18,146.07 (Kgs.)</b>	<b>39,921.35 (Lbs.)</b>

## **OPIOIDS**

No specific ONDCP funding is used to support the President’s opioid initiative at this time.

## **OPIOID & METHAMPHETAMINE EXPENDITURES**

No specific opioid or methamphetamine expenditures.



**FEMA**

March 21, 2023

MEMORANDUM TO: Dr. Rahul Gupta, Director  
Office of National Drug Control Policy

FROM: Mary Comans  
Chief Financial Officer

SUBJECT: FY 2022 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, 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 2022 Drug Control Funds.

In accordance with the referenced ONDCP Circular, Sections 6 and 7 financial disclosures and assertions in the attached report, to the best of my knowledge all information presented for FEMA is true and correct, and I concur with all assertions associated with FEMA in Sections 6 and 7.

FEMA requests an exemption from the Inspector General Authentication review due to prior year drug-related obligations of less than \$50 million noting this would constitute an unreasonable reporting burden.

If you require further assistance regarding this information, please contact Bob Simpson at (202) 674-3268, or [robert.simpsonjr@fema.dhs.gov](mailto:robert.simpsonjr@fema.dhs.gov).

Enclosures:  
Accounting and Authentication of Drug Control Funds

**Federal Emergency Management Agency  
Accounting and Authentication Drug Control Funds for 2022**

*Reference: ONDCP Circular: National Drug Control Program Agency Compliance Reviews (September 9, 2021)*

**SECTION 6 ASSERTIONS**

**6. b. (1) Timeliness of Summer Budget Submission**

In accordance with 21 U.S.C 1703(c)(1)(A), the Summer Drug Budget was submitted to ONDCP on June 27, 2022, the same time the budget request was transmitted to the Department.

**6. b. (2) Funding Levels Represent Bureau-Level Request**

I assert that the funding request in the Summer Drug Budget represent the funding levels in the budget request submitted by FEMA to the Department without alteration or adjustment by any official at the Department.

**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 2022 by Decision Unit and by Drug Control Function.

FY 2022 Federal Emergency Management Agency Drug Control Obligations		\$ in Millions FY 2022 Actual
<b>A. Drug Resources by Function</b>		
State and Local Assistance		\$13.5
	Total	\$13.5
<b>B. Drug Resources by Decision Unit</b>		
Operations and Support		\$13.5
	Total	\$13.5
Total Agency Budget <sup>1</sup>		\$5,242.0
Drug Related Percentage <sup>2</sup>		<0.1%

<sup>1</sup> Amount excludes Budget Control Act funding for major disasters under the Disaster Relief Fund.

<sup>2</sup> 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 2022 has not been modified from the previous year, 2021.

### **7. a. (4) Material Weaknesses or Other Findings**

In the FY 2022 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 2022.

### **7. a. (6) Other Disclosures**

No other disclosures are necessary to clarify anything regarding 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 2022 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 2022 has not been modified from the previous year, 2021.

### **7. b. (6) Reprogrammings or Transfers**

There were no reprogrammings or transfers in FY 2022.

### **7. b. (7) Fund Control Notices**

Not applicable. ONDCP did not issue any Fund Control Notices to FEMA in FY 2022.

## **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.

**ONDCP FY 2022 Compliance Report**  
**DEPARTMENT OF HOMELAND SECURITY**  
 Federal Law Enforcement Training Centers (FLETC)

*Reference: ONDCP Circular: National Drug Control Program Agency Compliance Reviews (September 9, 2021)*

**SECTION 6 REPORTING – Budget Formulation Compliance Report**

**6.a. Summer Budget Formulation Information**

**6.a.(1) Summer Drug Budget Transmittal**

The date the FY2022 ONDCP Summer Budget was submitted to ONDCP was July 9<sup>th</sup>, 2020

**6.1.(2) Summer Drug Resource Table Summary**

	Budget Authority (in Millions)		
	FY 2020 Enacted	FY 2021 President's Budget	FY 2022 Summer Budget
<b>Drug Resources by Function</b>			
Investigations	\$52.131	\$54.569	\$53.249
State & Local Assistance	\$1.629	\$1.705	\$1.664
International	\$.543	\$0.568	\$0.555
<b>Total Drug Resources by Function</b>	<b>\$54.303</b>	<b>\$56.843</b>	<b>\$55.468</b>
<b>Drug Resources by Decision Unit</b>			
Operations & Support	\$54.303	\$56.843	\$55.468
<b>Total Drug Resources by Decision Unit</b>	<b>\$54.303</b>	<b>\$56.843</b>	<b>\$55.468</b>

<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	219	213	213
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$0.3	\$0.3	\$0.3
Drug Resources Percentage	15.5%	17.2%	17.9%

## 6.b. Assertions

### 6.b.(1) Timeliness of Summer Budget Submission

The summer drug budget submitted to ONDCP on the date reported in Section 6.a.(1) was provided to ONDCP at the same time as that budget request is submitted to their superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

### 6.b.(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.

## 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

		Obligations (in Millions)
		FY 2022
<b>Drug Resources by Function</b>		
Investigations		54.50
State & Local Assistance		1.40
International		0.67
<b>Total Drug Resources by Function</b>		<b>56.57</b>
<b>Drug Resources by Decision Unit</b>		
Salaries & Expenses		56.57
<b>Total Drug Resources by Decision Unit</b>		<b>56.57</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)		219
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in billions)		0.36
Drug Resources Percentage		<b>15.9%</b>

### **7.a.(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.

### **7.a.(3) Methodology Modifications**

The drug methodology for 2022 has not been modified from the previous year, 2021.

### **7. a. (4) Material Weaknesses or Other Findings**

In the FY 2022 financial audit report, FLETC's independent auditors identified no material weaknesses or significant deficiencies in FLETC's internal control over financial reporting.

### **7. a. (5) Reprogrammings or Transfers**

There have been no reprogrammings or transfers that affect drug related budgetary resources.

### **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)**

The Obligations reported by budget decision unit are the actual obligations from FLETC's accounting system of record.

### **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 FLETC 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 2022 financial audit report, FLETC's independent auditors identified no material weaknesses or significant deficiencies in FLETC's internal control over financial reporting.

### **7. b. (5) Methodology Modifications**

The drug methodology for 2022 has not been modified from the previous year, 2021.

### **7. b. (6) Reprogrammings or Transfers**

The data presented in Table above are associated with 2022 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.

### **7. b. (7) Fund Control Notices**

Not applicable. ONDCP did not issue any Fund Control Notices to FLETC in FY 2022.





U.S. Immigration  
and Customs  
Enforcement

February 15, 2023

Mr. Jon Rice  
Deputy Director for the Office of Performance and Budget  
Office of National Drug Control Pol

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 the following Immigration and Customs Enforcement Reports:

- Budget Formulation Compliance Report (BFCR)
- Detailed Accounting Report (DAR)

The last time the Department of Homeland Security (DHS) Office of Inspector General (OIG) performed an audit was for the FY2021 Compliance Review. DHS transmitted ICE's FY2024 Summer Budget by email on July 15, 2022, to ONDCP.

If you require further assistance on this information, please contact Jackie Shaw at



Sincerely,

SHILONDA B  
HOLMES

 Digitally signed by SHILONDA B  
HOLMES  
Date: 2023.02.21 11:36:14 -05'00'

Shilonda Holmes, A-Deputy Budget Director  
Office of Budget and Program Performance  
U.S. Immigration and Customs Enforcement

**U.S. Department of Homeland Security**  
**U.S. Immigration and Customs Enforcement**  
**Budget Formulation Compliance Report FY 2022**

**A. Summer Budget Formulation Information**

1: Summer Drug Budget Transmittal

ICE FY 2024 Summer Drug Budget Transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 15, 2022, for further transmission to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(1).

2: Summer Drug Budget Table

**FY 2024 Summer Budget and Performance Summary**  
**DEPARTMENT OF HOMELAND SECURITY**  
Immigration and Customs Enforcement (ICE)

**Resource Summary**

	Budget Authority (in Millions)	
	FY 2022 Enacted	FY 2023 President's Budget
<b>Drug Resources by Function</b>		
Intelligence	\$29.084	\$29.557
Investigations: Domestic	\$612.835	\$631.184
Investigations: International	\$11.797	\$12.010
<b>Total Drug Resources by Function</b>	<b>\$653.716</b>	<b>\$672.751</b>
<b>Drug Resources by Decision Unit</b>		
Operations & Support	\$653.716	\$672.751
<i>Intelligence</i>	<i>\$29.084</i>	<i>\$29.557</i>
<i>Investigations: Domestic</i>	<i>\$612.835</i>	<i>\$631.184</i>
<i>Investigations: International</i>	<i>\$11.797</i>	<i>\$12.010</i>
<b>Total Drug Resources by Decision Unit</b>	<b>\$653.716</b>	<b>\$672.751</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	2,639	2,680
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$8.6	\$8.5
Drug Resources Percentage	7.6%	7.9%

## **B. Assertions**

### 1: Timeliness of Summer Budget Submission

ICE asserts the FY 2024 Summer Drug Budget Transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 15, 2022, 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.

**U.S. Department of Homeland Security**

**U.S. Immigration and Customs Enforcement**

**Detailed Accounting Submission of Drug Control Funding during Fiscal Year 2022**

**A. Table of Prior Year FY 2022 Drug Control Obligations**

Drug Resources by Budget Decision Unit and Function:

	FY 2022 Final (In Millions)
<b>Drug Resource by Drug Control Function</b>	
Domestic Investigations	\$612.835
International Operations	\$11.797
Intelligence: Domestic	\$28.455
Intelligence: International	\$.628
<b>Total</b>	<b>\$653.716</b>
<b>Drug Resources by Budget Decision Unit</b>	
Salaries and Expenses – Immigration Enforcement	
<b>Total</b>	<b>\$653.716</b>
High Intensity Drug Trafficking Area (HIDTA) Transfer	\$2.777

HIDTA Funds represent total authorized and available during FY2022 (multi-year funds: FY21/22 and FY22/23)

**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 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 2022, the actual percentage for Domestic Investigations was 32.12 percent. To calculate a dollar amount of obligation, the percentage is applied to the FY 2022 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 2022, the actual percentage of hours that were general narcotics related was 8.06 percent. To calculate the dollar amount of obligations for the IO drug control function, the percentage is applied to the FY 2022 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 2022, 27.81 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 2022 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 (2.12 percent) and domestic activities (97.88 percent) in FY 2022. 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 2022 Drug Control Obligations.

## 4: Reprogrammings or Transfers

During FY 2022, 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 2022, the Department determined there were no reprogrammings or transfers that materially impacted ICE's drug-related obligations reported in the Table of FY 2022 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, 2021 and September 30, 2022. 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 2022 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 2022.

#### 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 2022.

**Review of  
U.S. Coast Guard's Fiscal  
Year 2022 Drug Control  
Budget Formulation  
Compliance Report**





## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

January 25, 2023

MEMORANDUM FOR: Admiral Linda L. Fagan  
Commandant  
U.S. Coast Guard

FROM: Joseph V. Cuffari, Ph.D.  
Inspector General

**JOSEPH V  
CUFFARI**

Digitally signed by  
JOSEPH V CUFFARI  
Date: 2023.01.24  
18:12:48 -07'00'

SUBJECT: *Review of U.S. Coast Guard's Fiscal Year 2022 Drug  
Control Budget Formulation Compliance Report*

Attached for your information is our final report, *Review of U.S. Coast Guard's Fiscal Year 2022 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 20, 2023, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, 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.

If you have any questions, please call me at [REDACTED] or your staff may call Bruce Miller, Deputy Inspector General for Audits, at the same number.

Attachment

cc: COMDT (CG-8), USCG





# DHS OIG HIGHLIGHTS

## *Review of U.S. Coast Guard's Fiscal Year 2022 Drug Control Budget Formulation Compliance Report*

January 25, 2023

### 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](mailto: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 2022 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 2022 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 Review 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, 2022. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Among other requirements, the Circular requires USCG to submit their summer drug budget directly to the Office of National Drug Control Policy (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, 2022, in order for them to be in conformity with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DHS Office of Inspector General, USCG, and the ONDCP, 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 20, 2023



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  
January 06, 2023

Dr. Rahul Gupta  
Director  
Office of National Drug Control Policy  
Executive Office of the President  
Washington, DC 20503

Dear Dr. Gupta,

In accordance with the Office of National Drug Control Policy Circular: *Budget Formulation*, issued September 9, 2021, enclosed is the Coast Guard's FY 2022 Budget Formulation Compliance Report.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Melissa Martinelli, [REDACTED]

Sincerely,

  
B. R. Reffer  
Commander, U.S. Coast Guard  
Deputy, Office of Budget and Programs

Enclosures: (1) USCG FY 2022 Budget Formulation Compliance Report

Copy: Department of Homeland Security, Office of the Chief Financial Officer, Budget Division

# United States Coast Guard (USCG) Fiscal Year 2022 Budget Formulation Compliance Report (BFCR)

## Summer Budget Formulation Information

1) The USCG's Fiscal Year (FY) 2024 Summer Drug Budget Transmittal, was provided to the Department of Homeland Security (DHS) on June 27, 2022, for further transmission to the Office of National Drug Control Policy (ONDCP) in accordance with ONDCP Circular: Budget Formulation Section 9.a.(1).

2) The USCG's FY 2024 Summer Drug Budget Resource Summary Table was provided to DHS on June 27, 2022, for further transmission to ONDCP in accordance with ONDCP Circular: Budget Formulation Section 9.a.(2).

## FY 2024 Summer Budget and Performance Summary DEPARTMENT OF HOMELAND SECURITY United States Coast Guard (USCG) Resource Summary

	Budget Authority (in Millions)	
	FY 2022 Enacted Budget	FY 2023 President's Budget
<b>Drug Resources by Function</b>		
Interdiction	\$2,250.273	\$2,161.152
Research and Development <sup>1</sup>	\$1.112	\$1.174
<b>Total Drug Resources by Function</b>	<b>\$2,251.385</b>	<b>\$2,162.326</b>
<b>Drug Resources by Decision Unit</b>		
Operations & Support	\$1,483.094	\$1,560.369
Procurement, Construction, & Improvements	\$767.179	\$600.783
Research & Development <sup>1</sup>	\$1.112	\$1.174
<b>Total Drug Resources by Decision Unit</b>	<b>\$2,251.385</b>	<b>\$2,162.326</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	7,732	7,920
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$13.7	\$13.8
Drug Resources Percentage	16.44%	15.65%

## **Assertions**

### **1) Timeliness:**

I assert the FY 2024 Summer Drug Budget transmittal was initially submitted to DHS Budget Coordination on June 27, 2022. On July 6, 2022, DHS Budget Coordination requested additional details be provided, per ONDCP request. The FY 2024 Summer Drug Budget was resubmitted to DHS Budget Coordination on July 12, 2022.

### **2) Funding Levels Represent Bureau-Level Request:**

I assert that the funding request in the submission provided on June 27, 2022, 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

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**Appendix A**  
**Report Distribution**

**Department of Homeland Security**

Secretary  
Deputy Secretary  
Chief of Staff  
Deputy Chiefs of Staff  
General Counsel  
Executive Secretary  
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. Coast Guard**

Commandant  
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



## **Additional Information and Copies**

To view this and any of our other reports, please visit our website at:  
[www.oig.dhs.gov](http://www.oig.dhs.gov).

For further information or questions, please contact Office of Inspector General  
Public Affairs at: [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov).  
Follow us on Twitter at: [@dhsoig](https://twitter.com/dhsoig).



### **OIG Hotline**

To report fraud, waste, or abuse, visit our website at [www.oig.dhs.gov](http://www.oig.dhs.gov) and click on the red "Hotline" box. If you cannot access our website, call our hotline at (800) 323-8603, 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 INSPECTOR GENERAL**

**Review of  
U.S. Coast Guard's  
Fiscal Year 2022 Detailed  
Accounting Report for  
Drug Control Funds**



Homeland  
Security

**January 24, 2023**

**OIG-23-08**





## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

January 24, 2023

MEMORANDUM FOR: Admiral Linda L. Fagan  
Commandant  
U.S. Coast Guard

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

SUBJECT: *Review of U.S. Coast Guard's Fiscal Year 2022 Detailed Accounting Report for Drug Control Funds*

Digitally signed by JOSEPH V  
CUFFARI  
Date: 2023.01.24 07:00:54  
-07'00'

Attached for your information is our final report, *Review of U.S. Coast Guard's Fiscal Year 2022 Detailed Accounting Report for Drug Control Funds*.

U.S. Coast Guard (USCG) management prepared the Table of FY 2022 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 20, 2023, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, 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.

If you have any questions, please call me at [REDACTED] or your staff may call Bruce Miller, Deputy Inspector General for Audits, at the same number.

Attachment

cc: COMDT (CG-8), USCG



# DHS OIG HIGHLIGHTS

## *Review of U.S. Coast Guard's Fiscal Year 2022 Detailed Accounting Report for Drug Control Funds*

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January 24, 2023

### 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](mailto: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 2022 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 2022 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 Review 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, 2022. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

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, 2022, in order for them to be in conformity with the requirements set forth in the Circular.

The purpose of this report is to authenticate the DAR as required by the Circular based on our review and is not suitable for any other purpose. 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 20, 2023

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  
January 12, 2023

Dr. Rahul Gupta  
Director  
Office of National Drug Control Policy  
Executive Office of the President  
Washington, DC 20503

Dear Dr. Gupta,

In accordance with the Office of National Drug Control Policy Circular: *Budget Formulation*, issued September 9, 2021, enclosed is the Coast Guard's FY 2022 Detailed Accounting Report.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Melissa Martinelli, [REDACTED]

Sincerely,

A handwritten signature in blue ink, appearing to read "B. R. Keffer".

B. R. Keffer  
Commander, U.S. Coast Guard  
Deputy, Office of Budget and Programs

Enclosures: (1) USCG FY 2022 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 2022 Drug Control Funds**

**DETAILED ACCOUNTING REPORT**

**1. Table of FY 2022 Drug Control Obligations**

<b>RESOURCE SUMMARY (Dollars in Millions)</b>	<b>2022 Actual Obligations</b>
<b>Drug Resources by Drug Control Function:</b>	
• Interdiction	\$2,445.022
• Research and Development	\$1.224
<b>Total Resources by Function</b>	<b>\$2,446.246</b>
<b>Drug Resources by Budget Decision Unit:</b>	
• Operations and Support (O&S)	\$1,399.308
• Procurement, Construction, and Improvements (PC&I)	\$1,045.714
• Research and Development (R&D)	\$1.224
<b>Total Drug Control Obligations</b>	<b>\$2,446.246</b>

**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 eleven 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 estimated 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 eleven 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<sup>®</sup> 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: Financial System Modernization Solution (FSMS), 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, to operate 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 eleven Coast Guard statutory missions using AOPS and ALMIS. This data is 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 (FSMS, 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 eleven 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 (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 FY 2022, the USCG contributed to DHS material weaknesses in the following internal control areas: Financial Reporting and Information Technology (IT) Controls, Information Systems, and New System Obligations. Following the recommendations provided in the previous DHS Independent Auditors' Reports, the USCG continues 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 control deficiencies that contributed to the material weaknesses in New System Obligations were related to the Coast Guard transition to a new financial system, known as the Financial Systems Modernization Solution (FSMS) in October 2021. This was a once in a generation change that was critical to meeting the Service's financial management requirements in support of Coast Guard missions. Due to issues with data migration and system interfaces, the transition period took 78 days, nearly double the planned duration. During this period, the Coast Guard's financial systems were offline, resulting in an inability to make a majority of payments for nearly 4 months and accumulated a backlog of almost 30,000 invoices. In response, the Coast Guard established an Incident Command and Incident Management Team to mitigate issues, direct system improvements and clear the invoice backlog. As of May 2022, the backlog of vendor invoices was reduced to a steady state and the Coast Guard completed all 8,000 backlogged member payments. The Coast Guard is successfully using FSMS today.

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 2022 Drug Control Obligations. The USCG control deficiencies that contributed to the material weaknesses in Financial Reporting and IT Controls and Information Systems were related to the USCG's three general ledgers. 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 2022, 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 2022, there were no reprogrammings or transfers that materially impacted USCG's drug-related obligations reported in the Table of FY 2022 Drug Control Obligations.

### **6. Other Disclosures**

The following provides a synopsis of the USCG's FY 2022 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 eleven 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 2022 financial and AOPS/ALMIS data, as presented in the USCG’s FY 2022 enacted budget submission.

Financial Systems – The MCM uses costs from three general ledgers (GL). These include; the FSMS 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 2022, 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 2022.





**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

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**Appendix A**  
**Report Distribution**

**Department of Homeland Security**

Secretary  
Deputy Secretary  
Chief of Staff  
Deputy Chiefs of Staff  
General Counsel  
Executive Secretary  
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. Coast Guard**

Commandant  
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

## **Additional Information and Copies**

To view this and any of our other reports, please visit our website at:  
[www.oig.dhs.gov](http://www.oig.dhs.gov).

For further information or questions, please contact Office of Inspector General  
Public Affairs at: [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov).  
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### **OIG Hotline**

To report fraud, waste, or abuse, visit our website at [www.oig.dhs.gov](http://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





February 24, 2023

Ms. Regina 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 (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, enclosed is the Science and Technology Directorate's Summer Budget and Detailed Accounting Report for FY 2022. The Summer Budget submission totals \$8.1 million. Previously approved ONDCP methodology, account structure and equity related information remain unchanged.

To the best of our knowledge the budget formulation details provided are accurate and complete. If you have any questions, please contact me at [REDACTED]

Sincerely,

RONNYKA V. FITZPATRICK  
FITZPATRICK  
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RONNYKA V FITZPATRICK  
Date: 2023.02.24  
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Ronnyka Fitzpatrick  
Chief Financial Officer  
Science and Technology Directorate

**DEPARTMENT OF HOMELAND SECURITY**  
**SCIENCE AND TECHNOLOGY DIRECTORATE**

**Resource Summary**

	Budget Authority (in millions)		
	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Summer Budget
<b>Drug Resources by Budget Decision Unit and Function</b>			
Research and Development: Interdiction	\$11.0	\$8.4	\$8.1
<b>Total Drug Resources by Function</b>	<b>\$11.0</b>	<b>\$8.4</b>	<b>\$8.1</b>

<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	2	2	2
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions)	\$0.7	\$0.8	\$0.9
Drug Resources Percentage	0.02%	0.01%	0.009%

**Program Summary**

**MISSION**

The scope and diversity of Department of Homeland Security’s (DHS) missions requires the Science and Technology Directorate (S&T) to address a wide range of programs including DHS Components’ near-term needs for new operational capabilities and improved operational effectiveness, efficiency, and safety for the Homeland Security Enterprise (HSE). S&T has responsibilities related to understanding and creating solutions for explosives, border security, cyber security, biological and chemical threats, and conducting the research and development test and evaluation (RDT&E) required to meet other Homeland Security needs.

S&T performs research and development (R&D) related to drug control in support of following DHS operational components:

- U.S. Customs and Border Protection (CBP)
- U.S. Immigration and Customs Enforcement (ICE)

**METHODOLOGY**

S&T’s methodology is based on 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 to for calculating S&T’s drug control efforts.

## **BUDGET SUMMARY**

The FY 2022 S&T Summer Budget was \$8.1 million for drug control activities, a decrease of \$0.3 million from the FY 2021 Enacted Budget.

### **Research and Development**

**FY 2022 Summer Budget: \$8.1 million**

#### **Opioid/Fentanyl Detection - \$6.3 million**

The FY 2022 S&T Summer Budget was \$6.3 million for drug control activities, an increase of \$0.3 million from the FY 2021 Enacted Budget. The final report of the President's Commission on Combating Drug Addiction and the Opioid Crisis recognized challenges that limit DHS's ability to detect and interdict synthetic opioids, like fentanyl, that cross U.S. land, sea, and air borders, including international mail. High volume of mail, trade, and travel, the ability of synthetic opioids to be smuggled in very small quantities, low number of available automated detection systems and trained canines, and inadequate infrastructure are among the top challenges faced. CBP's Office of Field Operations has identified a critical need for technologies to be able to detect opioids and fentanyls and disrupt the illicit opioid supply chain.

In coordination with CBP, S&T developed a layered set of solutions, including both detection hardware and advanced analytics, which can be deployed rapidly within existing operational environments to allow for efficient screening and interdiction of opioids at ports of entry at the speed of commerce. To enable agile and responsive support to CBP, S&T pursued an iterative, integrated developmental approach and operational assessment. S&T made use of technologies, such as those used for explosives detection, and then, where technologies do not exist, employed rapid prototyping of systems to identify packages suspected of containing synthetic opioids. S&T developed analytics to exploit available data (e.g., advanced electronic data, National Targeting Center, dark web commerce) to discover supply chain networks and augment decisions to screen certain packages. While mail and parcel shipments are the initial focus, resulting solutions may also be applicable to other environments such as air cargo processing and land border port of entry screening, among others.

This program continues to deliver screening at speed capabilities that enable CBP to screen more packages per day (increase efficiency and reduce the manpower, time, and costs associated with the inspection process) and confidently detect the presence of synthetic opioids without exposing agents to the hazardous chemical. As a result, this program will likely increase the number of seizures/interdictions of illicit drugs, like synthetic opioids, thereby reducing the overall supply of drugs entering the United States and increasing the likelihood of successful identification of supply chain.

#### **Tunnel Detection and Surveillance - \$1.8 million**

The FY 2022 S&T Summer Budget was \$1.8 million for tunnel detection and surveillance, a decrease of \$0.6 million from the FY 2021 Enacted Budget. CBP and ICE have a limited capability to reliably detect cross-border tunnels, investigate discovered tunnels without putting

an agent in the tunnel, and perform forensic analysis of the discovered tunnel to support investigations and prosecutions.

The Tunnel Detection & Surveillance program conducted market research, modeling and simulations, and operational experiments (OpEx) to enhance United States Border Patrol's knowledge of the state of technology modalities to detect, exploit and seal cross-border dug tunnels. Program conducted technology assessments to investigate the ability to detect tunnels under varying environmental conditions and collect and analyze samples from discovered tunnels to enable investigations/prosecutions.

Direct impacts from these efforts include: (1) technical risk reduction to future activities of CBP's Cross Border Tunnel Threat (CBTT) program of record, (2) increased ability to investigate/exploit discovered tunnels safely, (3) increased arrests and prosecution of individuals involved in the creation/use of tunnels, (4) reduction of hundreds of tons of drugs kept off U.S. streets, and (5) savings of thousands of CBP and ICE labor hours.

The FY 2022 Summer Budget reflects a reduction in the total drug resources funding available due to an overall decrease in S&T's Research, Development and Innovation funding from previous years.

### **ASSERTIONS**

The summer drug budget submitted to ONDCP on February 24, 2023 was provided to ONDCP at the same time as that budget request was submitted to their superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

S&T 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.

**FY 2022 DETAILED ACCOUNTING REPORT**  
**DEPARTMENT OF HOMELAND SECURITY**  
**SCIENCE AND TECHNOLOGY DIRECTORATE**

**DRUG CONTROL FUNDING OBLIGATIONS**

Budget Authority (in millions)	FY 2022 Enacted	FY 2022 Obligations
<b>Research and Development: Interdiction</b>		
Opioid/Fentanyl Detection	\$6.3	\$6.1
Tunnel Detection and Surveillance	\$1.8	\$1.2
<b>Total Drug Resources by Function</b>	<b>\$8.1</b>	<b>\$7.3</b>

**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 FY 2022 from the previous FY 2021.

**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 2022.

**OTHER DISCLOSURES**

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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

**JUNE 29, 2022**

**SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW**

## MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget  
Coordinator

From: Acting Director, Bureau of Indian Affairs, Office of Justice Services **STEVEN  
JUNEAU**

Subject: ONDCP Summer Drug Budget and Performance Submission

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STEVEN JUNEAU  
Date: 2022.06.29  
11:15:14 -04'00'

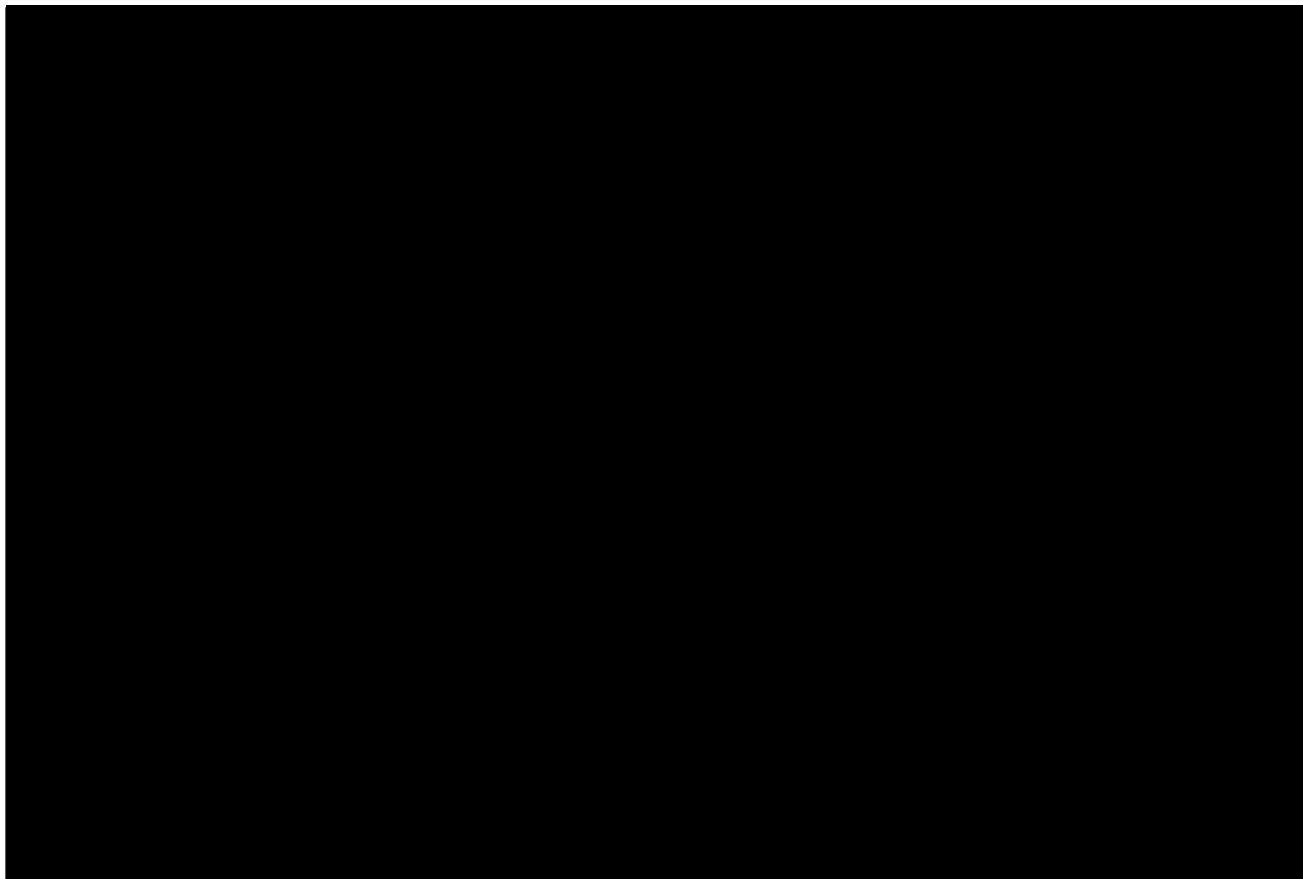
In accordance with ONDCP Circular: Budget Formulation, September 9, 2021, the U.S. Department of the Interior, Bureau of Indian Affairs hereby submits the attached report relaying the BIA Summer Budget Request to the Department of the Interior.

If you have questions, please contact Steven Juneau, Acting Director, BIA - Office of Justice Services at [REDACTED].

Attachment

BIA: FY 2024 Summer Submission

	Budget Authority (in Millions)	
	FY 2022 Final	FY 2023 Request
<b>Drug Resources by Function</b>		
Intelligence	\$0.500	\$0.500
Investigations	13.419	13.419
Prevention	1.000	1.000
<b>Total Drug Resources by Function</b>	<b>\$14.919</b>	<b>\$14.919</b>
<b>Drug Resources by Decision Unit</b>		
Drug Initiative	\$14.919	\$14.919
<b>Total Drug Resources by Decision Unit</b>	<b>\$14.919</b>	<b>\$14.919</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	78	78
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$2.4	\$2.8
Drug Resources Percentage	0.6%	0.5%







# **ONDCP BUDGET FORMULATION COMPLIANCE REPORT**

## **FY 2024 Summer Drug Budget Assertions**

### **Bureau of Indian Affairs**

#### **Timeliness of Summer Budget Submission**

The Bureau of Indian Affairs' ONDCP 2024 Summer Drug Budget was submitted to ONDCP July 1, 2022.

#### **Funding Levels Represent Bureau-Level Request**

The funding request in BIA's summer budget represents the funding levels in the bureau's 2024 Departmental budget submission.



# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS  
Washington, DC 20240

**MARCH 2, 2023**

**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) 2022 Detailed Accounting Report  
– Indian Affairs

**RICHARD  
MELVILLE**

Digitally signed by  
RICHARD MELVILLE  
Date: 2023.03.02  
11:56:37 -08'00'

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 2022, the last completed fiscal year.

This submission follows the requirements for alternative reports allowed under the Unreasonable Burden Exception in Section 8 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 Richard Melville, Director, BIA - Office of Justice Services at [REDACTED]

Attachment

ONDCP 2022 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**

<b>Drug Control Funding Obligations - FY 2022</b>		
<b>Drug Control Functions:</b>		<b>(Thousands)</b>
	Criminal Investigations and Police Services	13,419
	Special Initiatives	1,000
	Indian Police Academy (Training)	500
	<b>Total All Functions</b>	<b>14,919</b>
<b>Budget Decision Unit:</b>		
	BIA Office of Justice Services	14,919
	<b>Total All Decision Units</b>	<b>14,919</b>
	Total Actual FTE (Direct ONLY)	73

**(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 8 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.

**RICHARD  
MELVILLE**

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RICHARD MELVILLE  
Date: 2023 03.02  
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\_\_\_\_\_  
Director, BIA Office of Justice Services

3/2/2023

\_\_\_\_\_  
Date



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
Office of Law Enforcement and Security  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101



June 13, 2022

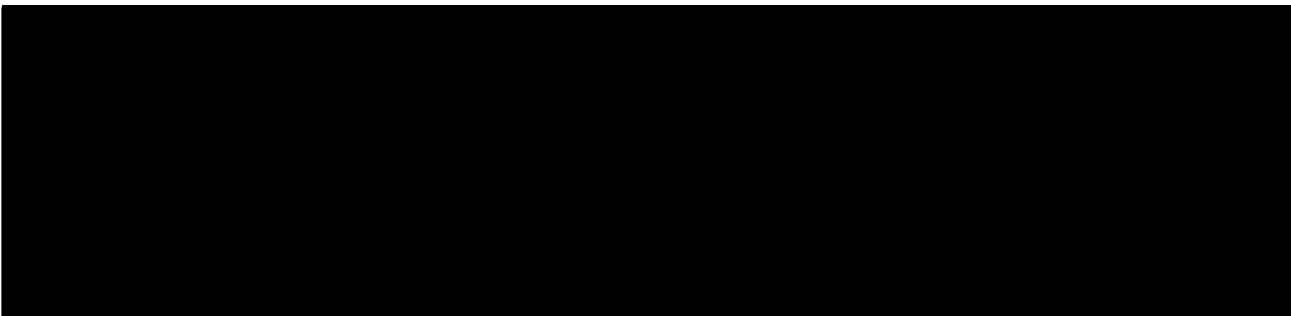
Memorandum

To: ONDCP Performance Budget Coordinator  
Office of National Drug Control Policy

From: Cassie Sandberg *Cassie Sandberg* Digitally signed by  
CASS E SANDBERG  
Date: 2022.06.13  
09:33:24 -06'00'  
Budget Officer, Office of Law Enforcement and Security

Subject: Fiscal Year 2024 Summer Budget and Performance Submission

In accordance with ONDCP Circular: *Budget Formulation, September 9, 2021*, the United States Department of the Interior, Bureau of Land Management (BLM) is hereby submitting the attached Budget and Performance Submission for Fiscal Year 2024.



If you have any questions, please contact Cassie Sandberg, OLES Budget Officer, at [REDACTED]

Attachment



**DEPARTMENT OF THE INTERIOR**  
 Bureau of Land Management  
 FY 2024 Budget and Performance Summer Submission

**Resource Summary**

	Budget Authority (in Millions)	
	FY 2022 Enacted	FY 2023 Request
<b>Drug Resources by Budget Decision Unit and Function</b>		
<b>Resource Protection and Law Enforcement</b>		
Interdiction	\$0.408	\$0.408
Investigations	4.080	4.080
State and Local Assistance	0.612	0.612
<b>Total, Decision Unit</b>	<b>\$5.100</b>	<b>\$5.100</b>
<b>Total Funding</b>	<b>\$5.100</b>	<b>\$5.100</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	20	20
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$1.4	\$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.

## **BUDGET SUMMARY**



### **Resource Protection and Law Enforcement**



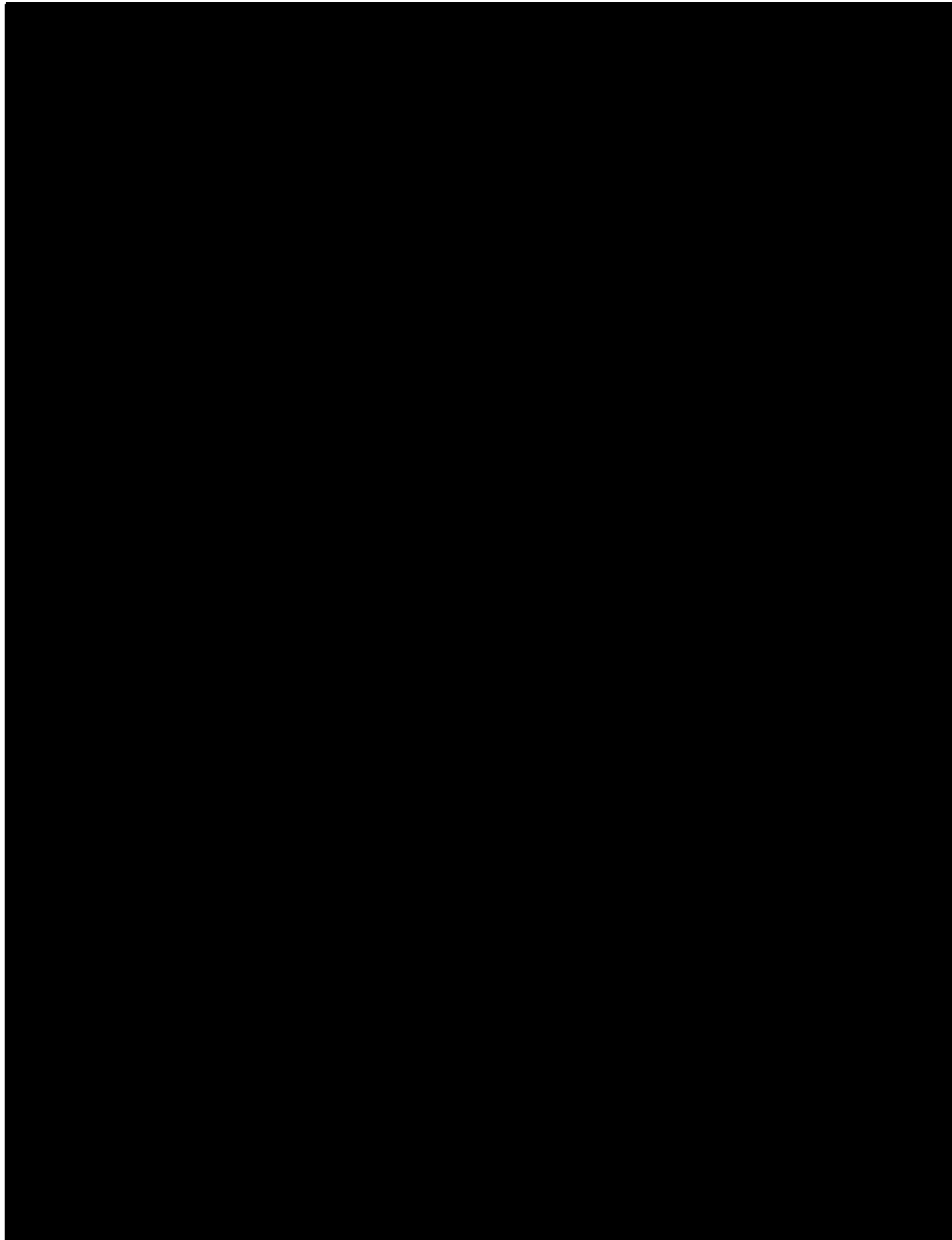
Resource Protection and Law Enforcement Program strategies in support of the National Drug Control Strategy include:

- (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 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 patrols 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.





## EQUITY

The BLM Office of Law Enforcement & Security (OLES) is developing a Diversity Action Plan for equity and inclusion, which includes a leadership commitment from the Director. Additionally, all OLES leadership participated in a Champagning Diversity training and will be participating in an Inclusive Leadership Workshop for Senior Leaders.

# **ONDCP BUDGET FORMULATION COMPLIANCE REPORT**

## **FY 2024 Summer Drug Budget Assertions**

### **Bureau of Land Management**

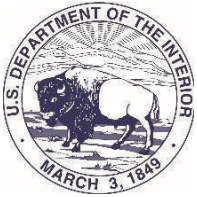
#### **Timeliness of Summer Budget Submission**

The Bureau of Land Management ONDCP 2024 Summer Drug Budget was submitted to ONDCP July 1, 2022.

#### **Funding Levels Represent Bureau-Level Request**

The assertion of the Bureau of Land Management is the funding request in the summer budget represents the funding levels in the Bureau's 2024 Departmental budget submission.





United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
Grand Junction, Colorado 81506  
<https://www.blm.gov>



February 23, 2023

In Reply Refer To:  
9260 (WO120) I

Memorandum

To: Director,  
Office of National Drug Control Policy

From: Jason O'Neal  
Director, Office of Law Enforcement and Security

**JASON O'NEAL** Digitally signed by JASON O'NEAL  
Date: 2023.02.27 15:22:28 -05'00'

Subject: Fiscal Year 2022 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 2022 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 [REDACTED]

Attachment

**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**  
**Office of Law Enforcement and Security**

**- Accounting and Performance Summary Report Fiscal Year 2022 -**

**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.

<b>Table of Drug Control Funding Obligations – Fiscal Year 2022</b>	
<b>Drug Control Functions:</b>	
Interdiction	408
Investigations	4,080
State and Local Assistance	612
<b>Total All Functions</b>	<b>5,100</b>
<b>Budget Decision Unit:</b>	
Resource Protection and Law Enforcement	5,100
<b>Total All Decision Units</b>	<b>5,100</b>

**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**

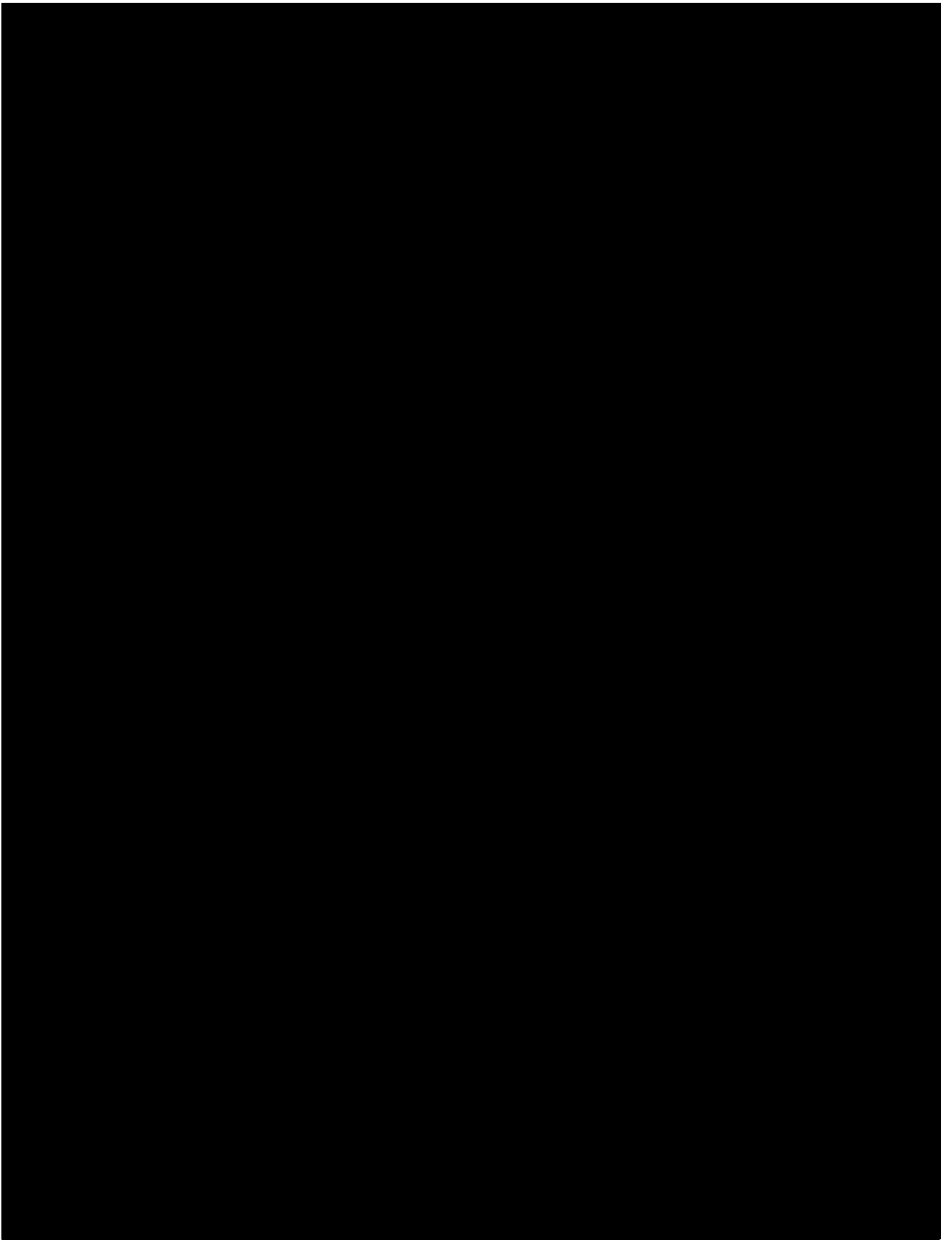
### 7.b Assertions

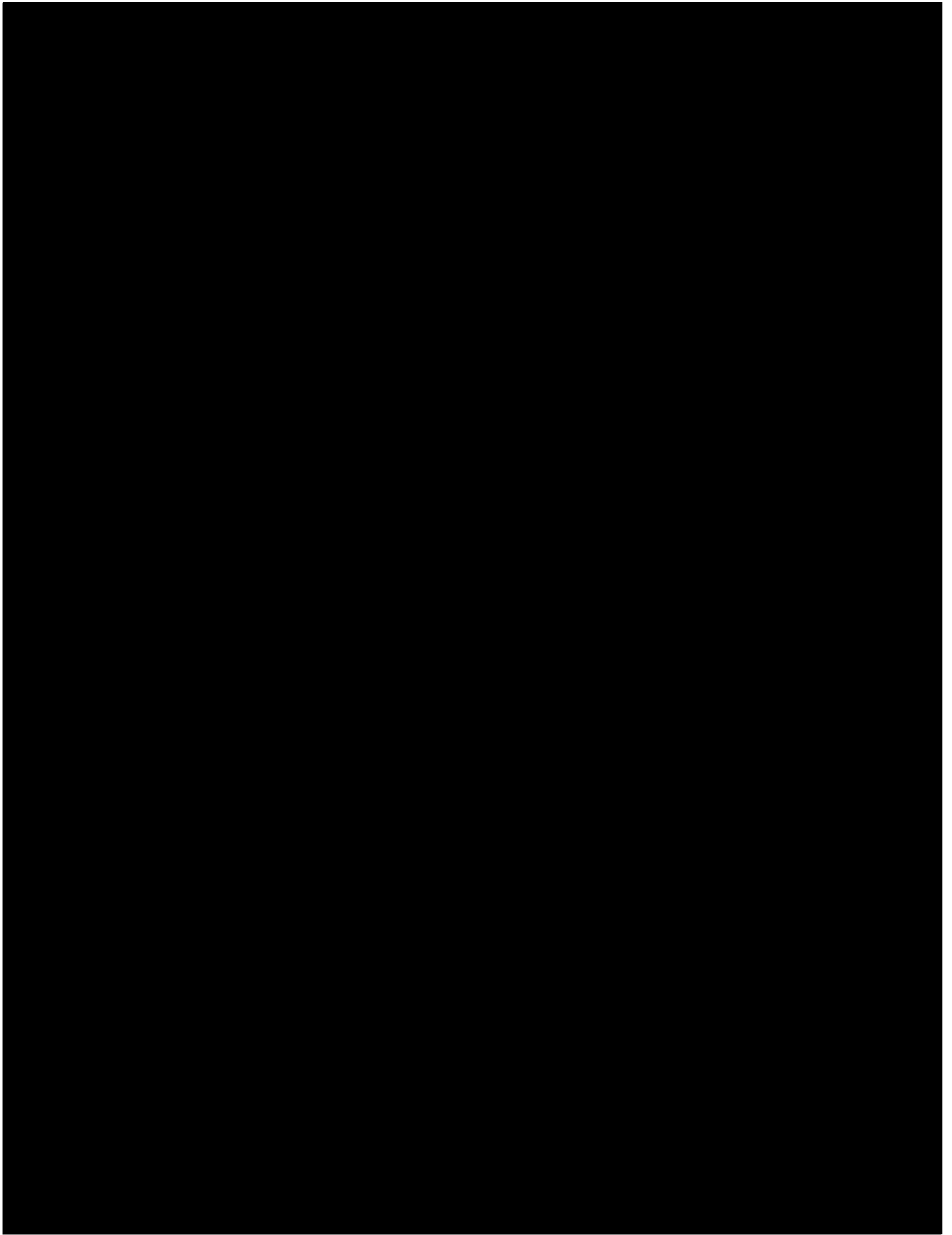
- (1) Obligations by Budget Decision Unit - Yes
- (2) Drug Methodology:
  - a) Data - Yes
  - b) Financial Systems - Yes
- (3) Application of Drug Methodology - Yes
- (4) Material Weaknesses or Other Findings – N/A
- (5) Methodology Modifications – N/A
- (6) Reprogrammings or Transfers – N/A
- (7) Fund Control Notices - Yes

[REDACTED]

[REDACTED]

[REDACTED]





[REDACTED]

[REDACTED]

[REDACTED]

*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.*

Jason O’Neal  
Director, Office of Law Enforcement and Security



**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 **Hunter Bailey** Digitally signed by Hunter Bailey  
Date: 2022.06.22 10:35:28 -05'00'

Subject: ONDCP Summer Drug Budget and Performance Submission

In accordance with ONDCP Circular: Budget Formulation, September 9, 2021, 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 2024 ONDCP Formulation Guidance, [REDACTED]

If you have questions, please contact Hunter Bailey, Chief, Investigative Services Branch - Law Enforcement, Security and Emergency Services at [REDACTED]

**ONDCP 2024 Summer Drug Budget and  
Performance Submission  
National Park Service**

**Resource Summary**

	Budget Authority (in Millions)	
	FY 2022 Enacted	FY 2023 Request
<b>Drug Resources by Function</b>		
Investigations	\$3.392	\$3.392
<b>Total Drug Resources by Function</b>	<b>\$3.392</b>	<b>\$3.392</b>
<b>Drug Resources by Decision Unit</b>		
National Park Protection Subactivity	\$3.392	\$3.392
<b>Total Drug Resources by Decision Unit</b>	<b>\$3.392</b>	<b>\$3.392</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	27	27
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$3.26	\$3.61
Drug Resources Percentage	0.10%	0.09%

**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

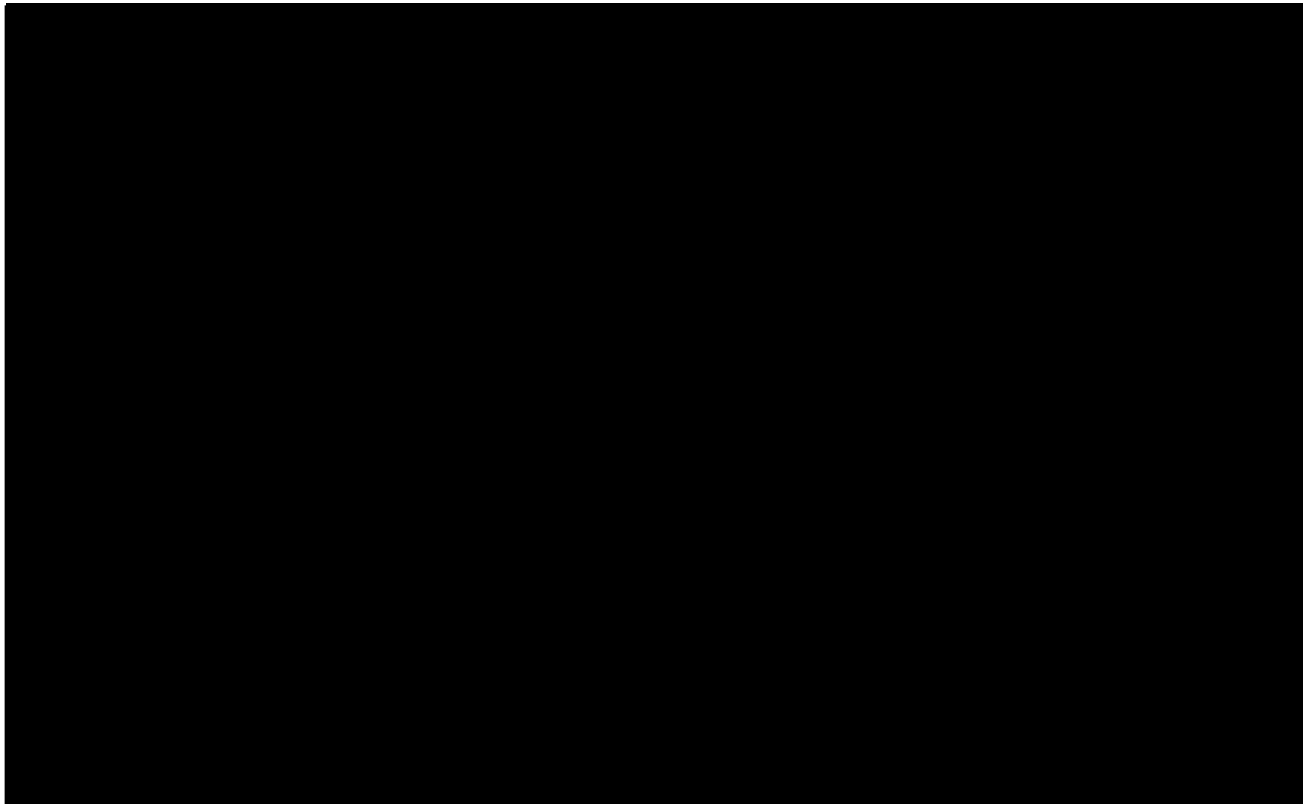
relationships support the enabling intent behind HIDTA which is the fusion of information and resources between federal agencies, and state/local law enforcement agencies.

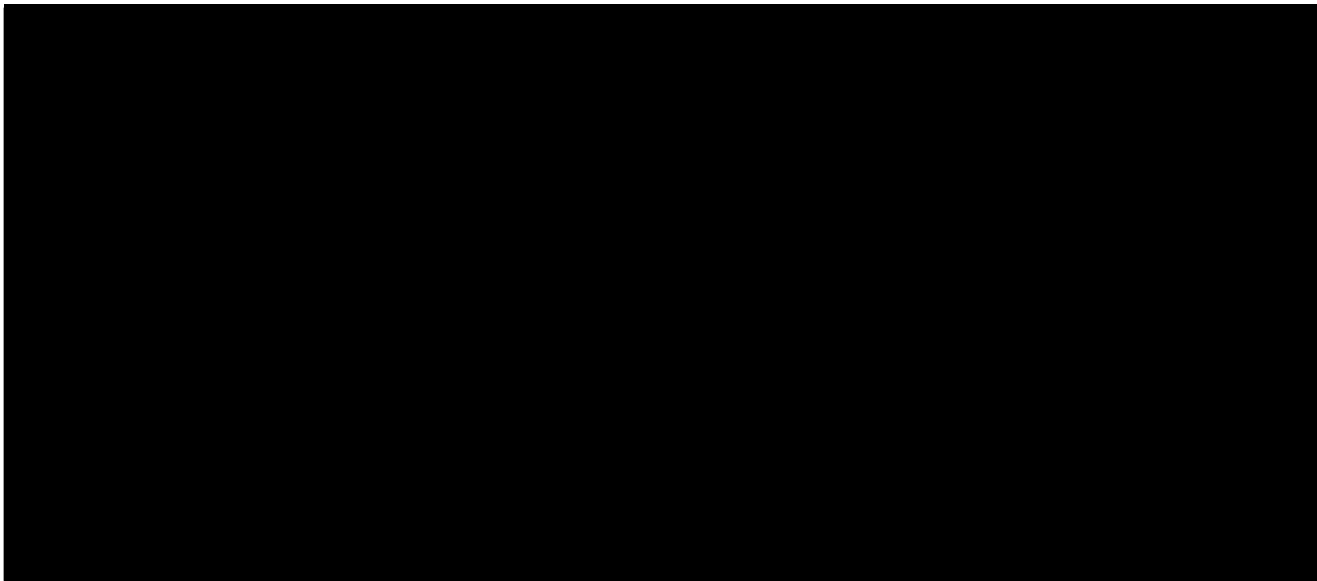
## **PRIORITY # 2: ADVANCING RACIAL EQUITY ISSUES IN OUR APPROACH TO DRUG POLICY**

### **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).







# ONDCP 2022 Detailed Accounting Report – National Park Service

## FY 2022 RESOURCE SUMMARY

Prior Year Drug Control Obligations and Staffing		Amount
*See detailed report below		
	FTE	28
	<b>TOTAL OBLIGATIONS</b>	<b>\$3,392,000</b>

\*\*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.



Signature

Regional Chief Ranger, Pacific West  
Title

02/22/2023  
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	Whiskey-town NRA	Santa Monica Mountains NRA	Redwood NP	Yosemite NP	Washington Support Office	Total
Investigations	200	450	614	463	300	345	600	420	3,392
<b>Total Expenditures</b>	<b>200</b>	<b>450</b>	<b>614</b>	<b>463</b>	<b>300</b>	<b>345</b>	<b>600</b>	<b>420</b>	<b>3,392</b>
<b>Total FTE</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>28</b>

#### (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

### Assertions

#### (1) Obligations by Budget Decision Unit



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.

**(2) Drug Methodology**

The NPS asserts that the drug methodology used to calculate obligations is based on reliable data.

- a) **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.
- b) **Financial Systems** – The NPS utilizes financial systems to determine park level spending on law enforcement efforts.

**(3) Application of Drug Methodology**

The NPS asserts that the drug methodology described above was the actual methodology used to generate the accounting table provided.

**(4) Material Weakness or Other Findings**

NA

**(5) Methodology Modifications**

NA

**(6) Reprogrammings or Transfers**

NA

**(7) Fund Control Notices**

The NPS asserts that the data presented are associated with obligations against a financial plan that fully complies with ONDCP requirements.

# **ONDCP BUDGET FORMULATION COMPLIANCE REPORT**

## **FY 2024 Summer Drug Budget Assertions**

### **National Park Service**

#### **Timeliness of Summer Budget Submission**

The National Park Service ONDCP 2024 Summer Drug Budget was submitted to ONDCP July 1, 2022.

#### **Funding Levels Represent Bureau-Level Request**

The funding request in the summer budget represents the funding levels in the bureau's 2024 Departmental budget submission.

# Tab J



# Review of the U.S. Department of Justice's Accounting of Drug Control Funding Fiscal Year 2022



AUDIT DIVISION

23-041

**MARCH 2023**

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.



# EXECUTIVE SUMMARY

*Review of the U.S. Department of Justice's Accounting of Drug Control Funding  
Fiscal Year 2022*

## 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 Circular), 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, 2022.

## 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, 2022. 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, Drug Enforcement Administration, Federal Bureau of Investigations, 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. The Department received an exception from ONDCP in accordance with Section 8.d. of the Circular, to exempt the Bureau of Alcohol, Tobacco, Firearms and Explosives and the Criminal Division from the OIG review for fiscal year 2022. The Department components reviewed and reported approximately \$9.8 billion of drug control obligations for fiscal year 2022.

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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, 2022. 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. The procedures performed in a review vary in nature and timing from—and are substantially less in extent 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. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion in this review.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

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". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

February 1, 2023

# U.S. DEPARTMENT OF JUSTICE

## BUDGET FORMULATION COMPLIANCE REPORTS





U.S. Department of Justice

Justice Management Division

Washington, D.C. 20530

**Budget Formulation Compliance Report  
Management’s Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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 on June 28, 2022, and the Department received the budget requests from its components on June 9 - 23, 2022, in accordance with 21 U.S.C § 1703(c)(1)(A).
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.

**JOLENE LAURIA**

Digitally signed by JOLENE LAURIA  
Date: 2023.02.01 17:55:19 -05'00'

02/01/2023

Jolene Ann Lauria  
Acting Assistant Attorney General  
for Administration  
Acting Chief Financial Officer

Date

**Department of Justice - Assets Forfeiture Fund (AFF)**

**Dollars in Millions - TOTAL DRUG RESOURCES**

Resource Summary	FY 2022 Enacted	FY 2023 President's Budget	FY 2024 Spring Call
<b>Drug Resources by Decision Unit and Function</b>			
<b>Decision Unit: Assets Forfeiture Fund</b>			
<i>Investigations</i>	\$151.277	\$165.414	
<i>State and local Assistance</i>	\$89.275	\$89.275	
<b>Total, Decision Unit: Assets Forfeiture Fund</b>	\$240.552	\$254.689	
<b>Total Drug Funding</b>	\$240.552	\$254.689	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions)	\$1.5	\$1.4	
Drug Resources Percentage	15.8%	17.7%	
*FY 2023 and FY 2024 figures are preliminary placeholders. Final allocation figures will be provided after the allocations have been determined by the Attorney General.			



**Department of Justice - Drug Enforcement Administration**  
**Dollars in Millions - TOTAL DRUG RESOURCES**

Resource Summary	FY 2022 Enacted	FY 2023 President's Budget	FY 2024 Spring Call
<b>Drug Resources by Budget Decision Unit and Function:</b>			
<b>Decision Unit #1 Domestic Enforcement</b>			
Investigations	1,789.471	1,874.162	
Intelligence: Domestic Law Enforcement	149.601	156.681	
Prevention	3.690	3.865	
Harm Reduction	0.099	0.104	
<b>Total, Decision Unit #1</b>	<b>\$1,942.862</b>	<b>\$2,034.812</b>	
<b>Decision Unit #2 International Enforcement</b>			
International	440.009	449.256	
Intelligence: International	26.102	26.354	
<b>Total, Decision Unit #2</b>	<b>\$466.111</b>	<b>\$475.609</b>	
<b>Decision Unit #3 State and Local Assistance</b>			
State and Local Assistance	12.549	12.695	
<b>Total, Decision Unit #3</b>	<b>\$12.549</b>	<b>\$12.695</b>	
<b>Decision Unit #4 Diversion Control Fee Account</b>			
Investigations	456.767	550.481	
Intelligence: Domestic Law Enforcement	20.361	24.539	
Prevention	5.356	6.455	
Harm Reduction	0.010	0.013	
<b>Total, Decision Unit #4</b>	<b>\$482.494</b>	<b>\$581.487</b>	
<b>Total Funding</b>	<b>\$2,904.016</b>	<b>\$3,104.603</b>	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$2.9	\$3.1	
Drug Resources Percentage	100.0%	100.0%	

**Department of Justice - FEDERAL BUREAU OF INVESTIGATION**

**Dollars in Millions - TOTAL DRUG RESOURCES**

<b>Resource Summary</b>	<b>FY 2022 Enacted</b>	<b>FY 2023 President's Budget</b>	<b>FY 2024 Spring Call</b>
<b>Drug Resources by Decision Unit and Function</b>			
<b>Decision Unit: Intelligence</b>			
<i>Intelligence</i>	9.689	8.791	
<b>Total Drug Resources by Funding</b>	<b>\$ 9.689</b>	<b>\$ 8.791</b>	
<b>Decision Unit: Criminal Enterprises/Federal Crimes</b>			
<i>Investigations</i>	147.097	152.273	
<i>Harm Reduction</i>		0.050	
<b>Total Drug Resources by Funding</b>	<b>\$147.097</b>	<b>\$152.323</b>	
<b>Total Drug Funding</b>	<b>\$156.786</b>	<b>\$161.114</b>	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions)	\$10.1	\$10.7	
Drug Resources Percentage	1.6%	1.5%	



**Department of Justice - Federal Prison System (Bureau of Prisons)**

**Dollars in Millions - TOTAL DRUG RESOURCES**

Resource Summary	FY 2022 Enacted	FY 2023 President's Budget	FY 2024 Spring Call
<b>Drug Resources by Decision Unit and Function</b>			
<i>Decision Unit Inmate Care and Programs</i>			
<i>Corrections</i>	\$1,366.443	\$1,369.151	
<i>Treatment</i>	\$170.085	\$159.055	
<i>Harm Reduction</i>	\$0.120	\$0.137	
<b>Total, Decision Unit</b>	<b>\$1,536.648</b>	<b>\$1,528.343</b>	
<i>Decision Unit Institution Security &amp; Administration</i>			
<i>Corrections</i>	\$1,620.617	\$1,653.649	
<b>Total, Decision Unit</b>	<b>\$1,620.617</b>	<b>\$1,653.649</b>	
<i>Decision Unit Contract Confinement</i>			
<i>Corrections</i>	\$319.667	\$364.077	
<i>Treatment</i>	\$35.124	\$35.124	
<b>Total, Decision Unit</b>	<b>\$354.791</b>	<b>\$399.201</b>	
<i>Decision Unit Management and Administration</i>			
<i>Corrections</i>	\$163.104	\$148.170	
<b>Total, Decision Unit</b>	<b>\$163.104</b>	<b>\$148.170</b>	
<i>Decision Unit New Construction</i>			
<i>Corrections</i>	\$79.728	\$0.906	
<b>Total, Decision Unit</b>	<b>\$79.728</b>	<b>\$0.906</b>	
<i>Decision Unit M&amp;R</i>			
<i>Corrections</i>	\$26.727	\$80.317	
<b>Total, Decision Unit</b>	<b>\$26.727</b>	<b>\$80.317</b>	
<b>Total Drug Funding</b>	<b>\$3,781.615</b>	<b>\$3,810.586</b>	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions)	\$8.1	\$8.2	
Drug Resources Percentage	46.7%	46.5%	

Department of Justice - Office of Justice Programs

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary*	FY 2022 Enacted **	FY 2023 President's Budget Request **	FY 2024 Spring Call
<b>Drug Resources by Decision Unit and Function</b>			
<i>Regional Information Sharing System Program <sup>1/</sup></i>			
<i>State and Local Assistance</i>	14.700	14.000	
<b>Total, Regional Information Sharing System Program</b>	<b>\$14.700</b>	<b>\$14.000</b>	
<i>Drug Court Program</i>			
<i>Treatment</i>	88.000	95.000	
<i>Recovery</i>	88.000	95.000	
<b>Total, Drug Courts Program</b>	<b>\$88.000</b>	<b>\$95.000</b>	
<i>Justice and Mental Health Collaboration Program <sup>2/</sup></i>			
<i>Treatment</i>	6.000	6.000	
<i>Recovery</i>	6.000	6.000	
<b>Total, Justice and Mental Health Collaboration</b>	<b>\$6.000</b>	<b>\$6.000</b>	
<i>Residential Substance Abuse Treatment Program</i>			
<i>Treatment</i>	40.000	35.000	
<i>Recovery</i>	40.000	35.000	
<b>Total, Residential Substance Abuse Treatment Program</b>	<b>\$40.000</b>	<b>\$35.000</b>	
<i>Harold Rogers' Prescription Drug Monitoring Program</i>			
<i>State and Local Assistance</i>	33.000	33.000	
<b>Total, Harold Rogers' Prescription Drug Monitoring Program</b>	<b>\$33.000</b>	<b>\$33.000</b>	
<i>Second Chance Act Program <sup>3/</sup></i>			
<i>Treatment</i>	34.958	38.136	
<i>Recovery</i>	33.405	36.443	
<b>Total, Second Chance Act Program</b>	<b>\$34.958</b>	<b>\$38.136</b>	
<i>Project Hope Opportunity Probation with Enforcement (HOPE) <sup>4/</sup></i>			
<i>State and Local Assistance</i>	5.000	5.000	
<i>Recovery</i>	5.000	5.000	
<b>Total, Project Hope</b>	<b>\$5.000</b>	<b>\$5.000</b>	
<i>Byrne Criminal Justice Innovation Program (Innovations in Community-Based Crime Reduction) <sup>5/</sup></i>			
<i>State and Local Assistance</i>	0.000	7.500	
<b>Total, Byrne Criminal Justice Innovation Program</b>	<b>\$0.000</b>	<b>\$7.500</b>	
<i>Edward Byrne Memorial Justice Assistance Grant Program <sup>6/</sup></i>			
<i>State and Local Assistance</i>	45.061	49.082	
<i>Recovery</i>	3.918	4.268	
<b>Total, Edward Byrne Memorial Justice Assistance Grant Program</b>	<b>\$48.979</b>	<b>\$53.350</b>	
<i>Veterans Treatment Courts Program</i>			
<i>Treatment</i>	29.000	25.000	
<i>Recovery</i>	29.000	25.000	
<b>Total, Veterans Treatment Courts Program</b>	<b>\$29.000</b>	<b>\$25.000</b>	
<i>Comprehensive Opioid, S. mulant, and Substance Abuse Program (COSSAP)</i>			
<i>Treatment</i>	55.500	57.000	

<i>Harm Reduction</i>	77.700	79.800	
<i>Recovery</i>	114.700	117.800	
<b>Total, Comprehensive Opioid, Stimulant, and Substance Abuse Program</b>	<b>\$185.000</b>	<b>\$190.000</b>	
<b>CTAS Purpose Area 3: Justice Systems and Alcohol and Substance Abuse <sup>7/</sup></b>			
<i>Treatment</i>	12.151	12.151	
<i>Recovery</i>	11.217	11.217	
<b>Total, Tribal Set Aside - CTAS Purpose Area 3</b>	<b>\$23.368</b>	<b>\$23.368</b>	
<b>CTAS Purpose Area 9: Tribal Youth Program <sup>7/</sup></b>			
<i>Prevention</i>	4.200	9.000	
<i>Recovery</i>	4.200	9.000	
<b>Total, Tribal Set Aside - CTAS Purpose Area 9</b>	<b>\$4.200</b>	<b>\$9.000</b>	
<b>COPS Anti-Heroin Task Forces</b>			
<i>State and Local Assistance</i>	35.000	35.000	
<b>Total, COPS Anti-Heroin Task Forces</b>	<b>\$35.000</b>	<b>\$35.000</b>	
<b>COPS Anti-Methamphetamine Task Forces</b>			
<i>State and Local Assistance</i>	15.000	15.000	
<b>Total, COPS Anti-Methamphetamine Task Forces</b>	<b>\$15.000</b>	<b>\$15.000</b>	
<b>Forensic Support for Opioid and Synthetic Drug Investigations <sup>8/</sup></b>			
<i>State and Local Assistance</i>	17.000	17.000	
<b>Total, Forensic Support for Opioid and Synthetic Drug Investigations</b>	<b>\$17.000</b>	<b>\$17.000</b>	
<b>Opioid-Affected Youth Initiative <sup>8/</sup></b>			
<i>Prevention</i>	12.000	16.000	
<i>Recovery</i>	7.200	9.600	
<b>Total, Opioid-Affected Youth Initiative</b>	<b>\$12.000</b>	<b>\$16.000</b>	
<b>Mentoring for Youth Affected by the Opioid Crisis <sup>8/</sup></b>			
<i>Prevention</i>	16.500	16.500	
<i>Recovery</i>	16.500	16.500	
<b>Total, Mentoring for Youth Affected by the Opioid Crisis</b>	<b>\$16.500</b>	<b>\$16.500</b>	
<b>Total Drug Funding</b>	<b>\$607.705</b>	<b>\$633.854</b>	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions) ***	\$3.2	\$4.1	
Drug Resources Percentage	19.1%	15.6%	

**Notes:**

\* Since the activities of some OJP programs may support more than one budget function (state and local assistance, treatment, prevention, recovery, or harm reduction), the total of funding shown on the drug budget function totals (shown in italics) may be greater than the total amount of drug-related funding (shown on the bold total lines for each program) for some programs. OJP used the definitions provided by ONDCP for "harm reduction" and "recovery" in determining how much funding show be shown under each of these functions for each OJP program.

\*\* The funding levels shown for FY 2022 Enacted and FY 2023 President's Budget were scored using the drug budget methodology in place between FY 2019 and FY 2022 (see previses OJP submissions for details on the scoring of these amounts). Consistent with ONDCP guidance, OJP revised the drug budget methodology to score OJP program activity to new program functions (recovery and harm reduction) and implement revised drug budget scoring percentages. [REDACTED]

\*\*\* This table shows both OJP and COPS Office programs; therefore, the total agency funding line reflects that total enacted funding level or budget request for both OJP and the COPS Office.

**OJP Footnotes on Scoring Methodology:**

<sup>1/</sup> Amounts reported for the Regional Information Sharing System reflect 37 percent of total funding for this program as drug-related.

<sup>2/</sup> Amounts shown for the Justice and Mental Health Collaboration Program reflect 22 percent of total funding for this program as drug-related.

<sup>3/</sup> 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. [REDACTED]

- Of the total SCA funding managed by BJA, 62 percent of this total is reported as drug-related.
- Of the total managed by OJJDP, 69 percent is reported as drug-related.

<sup>4/</sup> Amounts shown for the Project Hope Opportunity Probation with Enforcement reflect 58 percent of total funding for this program as drug-related.

<sup>5/</sup> Amounts shown for the Byrne Criminal Justice Innovation Program (Innovations in Community-Based Crime Reduction) reflect 44 percent of total funding for this program as drug-related.

<sup>6/</sup> Amounts reported for the Byrne Justice Assistance Grant Program reflect 16 percent of total JAG funding less Congressionally-directed spending (Byrne Discretionary Community Project Grants) and one time funding for election security or President-elect security programs (varies by fiscal year).

<sup>7/</sup> 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, 89 percent is reflected as drug-related. Of the total funding estimated for CTAS Purpose Area 9, 30 percent is reflected as drug-related.

<sup>8/</sup> 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). OJP continues to propose funding these programs in the FY 2023 and FY 2024 budget requests.

- 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 the FY 2022 Enacted column, approximately 52 percent of the \$33 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, which is scored as 100 percent drug related. In FY 2022, \$12 million was appropriated for this program. [REDACTED]

- The Mentoring for Youth Affected by the Opioid Crisis program is funded as a carve-out of the Youth Mentoring program. In the FY 2022 Enacted column, approximately 16.2 percent of the \$102 million appropriated for the Youth Mentoring Program (or \$16.5 million) is scored as drug related for this carve-out. [REDACTED]



**Department of Justice - UNITED STATES ATTORNEYS**  
**Dollars in Millions - TOTAL DRUG RESOURCES**

	FY 2022 Enacted	FY 2023 President's Budget	FY 2024 Spring Call
<b>Resource Summary</b>			
<b>Drug Resources by Decision Unit and Function</b>			
<b><i>Criminal Decision Unit</i></b>			
<i>Prosecution</i>	105,984	105,984	
<b>Total Drug Funding</b>	105,984	105,984	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions)	\$2.4	\$2.8	
Drug Resources Percentage	4.4%	3.8%	

Department of Justice - Organized Crime Drug Enforcement Task Forces - ICDE

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2022 Enacted	FY 2023 President's Budget	FY 2024 Spring Call
<b>Drug Resources by Decision Unit and Function</b>			
<i>Decision Unit: Investigations</i>			
<i>Investigations</i>	\$381.513	\$386.513	
<b>Total, Decision Unit: Investigations</b>	\$381.513	\$386.513	
<i>Decision Unit: Prosecutions</i>			
<i>Prosecutions</i>	\$168.945	\$163.945	
<b>Total, Decision Unit: Prosecutions</b>	\$168.945	\$163.945	
<b>Total Drug Funding</b>	\$550.458	\$550.458	
<b>Drug Resources as a Percent of Budget</b>			
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 2022 Enacted	FY 2023 President's Budget	FY 2024 Spring Call
<b>Drug Resources by Decision Unit and Function</b>			
<b>Salaries and Expenses</b>			
<i>Decision Unit: Fugitive Apprehension</i>			
<i>International</i>	\$1.518	\$1.808	
<i>Investigative</i>	\$150.322	\$178.975	
<b>Total, Fugitive Apprehension</b>	<b>\$151.840</b>	<b>\$180.783</b>	
<i>Decision Unit: Judicial and Courthouse Security</i>			
<i>Prosecutions</i>	\$187.857	\$210.750	
<b>Total, Judicial and Courthouse Security</b>	<b>\$187.857</b>	<b>\$210.750</b>	
<i>Decision Unit: Prisoner Security and Transportation</i>			
<i>Prosecutions</i>	\$93.348	\$101.808	
<b>Total, Prisoner Security and Transportation</b>	<b>\$93.348</b>	<b>\$101.808</b>	
<i>Decision Unit: Tactical Operations</i>			
<i>Harm Reduction</i>	\$0.006	\$0.006	
<b>Total, Tactical Operations</b>	<b>\$0.006</b>	<b>\$0.006</b>	
<b>Federal Prisoner Detention</b>			
<i>Decision Unit: Detention Services</i>			
<i>Corrections</i>	\$623.505	\$537.795	
<b>Total, Detention Services</b>	<b>\$623.505</b>	<b>\$537.795</b>	
<b>Total Drug Funding</b>	<b>\$1,056.556</b>	<b>\$1,031.142</b>	
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in billions)	\$3.7	\$3.9	
Drug Resources Percentage	28.5%	26.2%	

# 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

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**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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, 2022, 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 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 reprogrammings or transfers during FY 2022.
7. AFF did not have any ONDCP Fund Control Notices issued in FY 2022.

PETER MAXEY Digitally signed by PETER MAXEY  
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Peter M. Maxey, Director,  
Asset Forfeiture Management Staff

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Date

**U.S. Department of Justice  
Assets Forfeiture Fund  
Detailed Accounting Report  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)**

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>FY 2022 Actual Obligations</b>
<b>Decision Unit: Asset Forfeiture</b>	
Investigations	\$ 139.37
State and Local Assistance	71.63
<b>Total Asset Forfeiture</b>	<b>\$ 211.00</b>
<b>Total Obligations</b>	<b>\$ 211.00</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

**U.S. Department of Justice  
Assets Forfeiture Fund  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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 AFF.” 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 2022 Financial Statements Audit, the Assets Forfeiture Fund (AFF)/Seized Asset Deposit Fund (SADF) received an unmodified audit opinion with one significant deficiency. The significant deficiency is for needed improvement to control over timely recognition of forfeiture revenue and seized assets. Specifically, “management did not have effective controls in place to ensure that agencies” participating in the Asset Forfeiture Program “were evaluating and reporting judicial and seizure 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 and seizure transactions on the current and prior year financial statements.”

To mitigate this finding:

- The Asset Forfeiture Financial Management Guide will be published in FY 2023 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;
- AFMS will oversee participating agencies’ development and implementation of control ensuring that seizure and forfeiture transactions are recorded accurately and timely and will elevate instances of noncompliance 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: Reprogrammings or Transfers

There were no reprogrammings or transfers that affected drug-related budgetary resources.





**U. S. Department of Justice**  
Drug Enforcement Administration

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*www.dea.gov*

**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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 2022.

**JEFFREY  
SUTTON**

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Jeffrey Sutton, Chief Financial Officer

Date

**U.S. Department of Justice**  
**Drug Enforcement Administration**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>FY 2022 Actual Obligations</b>
<b>Diversion Control Fee Account</b>	
Intelligence	\$ 21.89
Investigations	508.82
Prevention	1.05
Harm Reduction	0.02
<b>Total Diversion Control Fee Account</b>	<b>\$ 531.78</b>
<b>Domestic Enforcement</b>	
Intelligence	\$ 162.45
Investigations	1,969.42
Prevention	3.64
Harm Reduction	0.07
<b>Total Domestic Enforcement</b>	<b>\$ 2,135.57</b>
<b>International Enforcement</b>	
Intelligence	\$ 26.19
International	445.78
Prevention	-
Harm Reduction	0.01
<b>Total International Enforcement</b>	<b>\$ 471.98</b>
<b>State and Local Assistance</b>	
State and Local Assistance	\$ 9.37
<b>Total State and Local Assistance</b>	<b>\$ 9.37</b>
<b>Total Obligations</b>	<b>\$ 3,148.70</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 16.27
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ 193.98

**U.S. Department of Justice  
Drug Enforcement Administration  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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

**U.S. Department of Justice  
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For Fiscal Year Ended September 30, 2022**

- 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.*



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For Fiscal Year Ended September 30, 2022**

The DEA Budget Decision Unit	Allocation	ONDCP Function
Diversion Control Fee Account	4.12%	Intelligence
	95.68%	Investigations
	0.20%	Prevention
	0.00%	Harm Reduction
Domestic Enforcement	7.61%	Intelligence
	92.22%	Investigations
	0.17%	Prevention
	0.00%	Harm Reduction
International Enforcement	5.55%	Intelligence
	94.45%	International
	0.00%	Prevention
	0.00%	Harm Reduction
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 Equivalent (FTE): One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA’s Direct FTE total for FY 2022 including Salaries & Expenses (S&E) and Diversion Control Fee Account (DCFA) appropriations, was 8,052 through pay period 19, ending September 24, 2022.

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 2022 obligations from four decision units to ONDCP’s drug functions.

Disclosure 3: Material Weaknesses or Other Findings

**U.S. Department of Justice  
Drug Enforcement Administration  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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 2022 Independent Auditor's Report revealed no material weaknesses or significant deficiencies directed to DEA. Additionally, the Department's assessment of risk and internal control in FY 2022 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.

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**Disclosure 4: Reprogrammings or Transfers**

The DEA received seven transfers during FY 2022 (see the attached Table of FY 2022 Reprogrammings and Transfers) with individual transfer amounts that matched or exceeded the \$5M or 10 percent of a specific program threshold. Five transfers were internal from DEA's prior year funded unobligated balances to DEA's S&E No Year account for a total of \$72,375,950.00. DEA received one transfer from HIDTA that met the reporting threshold, in the amount of \$14,710,097.00 and one interagency transfer from the Spectrum Relocation Fund (SRF) in the amount of \$7,967,437.00 to DEA's Spectrum fund. DEA did not have a reprogramming in FY 2022. Transfers under the Drug Resources by Function section in the Table of FY 2022 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, 2022  
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
<b>Decision Unit #1: Domestic Enforcement</b>				
Intelligence	\$ -	\$ 5.01	\$ -	\$ 5.01
Investigations	-	60.68	-	60.68
Prevention	-	0.11	-	0.11
<b>Total Domestic Enforcement</b>	<b>\$ -</b>	<b>\$ 65.80</b>	<b>\$ -</b>	<b>\$ 65.80</b>
<b>Decision Unit #2: International Enforcement</b>				
Intelligence	\$ -	\$ 0.81	\$ -	\$ 0.81
International	-	13.73	-	13.73
Prevention	-	-	-	-
<b>Total International Enforcement</b>	<b>\$ -</b>	<b>\$ 14.54</b>	<b>\$ -</b>	<b>\$ 14.54</b>
<b>Decision Unit #3: State and Local Assistance</b>				
State and Local Assistance	\$ -	\$ -	\$ -	\$ -
<b>Total State and Local Assistance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Funding</b>	<b>\$ -</b>	<b>\$ 80.34</b>	<b>\$ -</b>	<b>\$ 80.34</b>
High-Intensity Drug Trafficking Area (HIDTA) Transfer Organized Crime Drug Enforcement Task Force (OCDETF)	\$ -	\$ 14.71	\$ -	\$ 14.71
	\$ -	\$ -	\$ -	\$ -

**Federal Bureau of Investigation  
Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

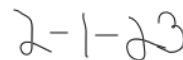
On the basis of the Federal Bureau of Investigation's (FBI's) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the FBI's 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 FBI's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the FBI 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 2022.
7. FBI did not have any ONDCP Fund Control Notices issued in FY 2022.



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Nicholas Dimos, Chief Financial Officer



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Date

**U.S. Department of Justice**  
**Federal Bureau of Investigation**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>FY 2022 Actual Obligations</b>
<b>Decision Unit #1: Intelligence</b>	
Intelligence	\$ 9.53
<b>Total Intelligence</b>	<b>\$ 9.53</b>
<b>Decision Unit #2: Criminal Enterprises and Federal Crimes</b>	
Investigations	\$ 149.38
<b>Total Criminal Enterprises and Federal Crimes</b>	<b>\$ 149.38</b>
<b>Total Obligations</b>	<b>\$ 158.91</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 2.56
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ 115.98
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

**U.S. Department of Justice  
Federal Bureau of Investigation  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

Disclosure 1: Drug Methodology

The FBI's resources that are scored to the National Drug Control Strategy include three priority initiatives within the Criminal Program: Transnational Organized Crime - Western Hemisphere, Joint Criminal Opioid Darknet Enforcement (JCODE), and the Prescription Drug Initiative (PDI). The total obligations for each priority initiative are calculated based on a percentage of resources from the FBI's Transnational Organized Crime - Eastern Hemisphere (TOC-E), Transnational Crime - Western Hemisphere (TOC-W), and Healthcare Fraud (HCF) programs. The total obligations from each of the above listed programs are pulled from the FBI's Unified Financial Management System (UFMS). Non-personnel funding is determined by programmatic requirements and was calculated by evaluating both the allocated resources to these three initiatives, as well as the proportion of the criminal program's investigative and intelligence efforts dedicated to drug control. Total obligations for the three programs are multiplied by the percentage of the total programmatic resources that are scored to the National Drug Control Strategy. The applied percentages are determined by the number of open cases, within the TOC-E, TOC-W, and Health Care Fraud programs that are drug related. Personnel resources are calculated based on the FBI's actual personnel time utilization, often referred to as Time Utilization and Record Keeping (TURK). Full-Time Equivalents (FTE) are used to quantify employment as a function of hours worked during a fiscal year and the data comes from payroll processed at the National Finance Center. The payroll FTE was reported by program and subprogram for Field Offices using an activity-based costing methodology incorporating both HR data and (TURK) data. The resources reported as "Intelligence" represent the resources that are scored to the Intelligence decision unit which include FBI intelligence activities focused on strategic, tactical, and network analysis; training, outreach, and collaboration; and tool development. The "Investigative" resources represent budgetary resources that are scored to the Criminal Enterprises and Federal Crimes decision unit.

Disclosure 2: Methodology Modifications

The FBI does not have any modifications to the methodology to report.

Disclosure 3: Material Weaknesses or Other Findings

The FBI does not have any material weaknesses or other findings to report.

Disclosure 4: Reprogrammings or Transfers

The FBI does not have any reprogrammings or transfers to report.

**U.S. Department of Justice  
Federal Bureau of Investigation  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

Disclosure 5: Other Disclosures

The FBI does not have any other disclosures to report.



**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, 2022**

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 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. In FY 2022, there was a transfer of \$95.1 million from the BOP's S&E funds to Health and Human Services for Public Health Service (PHS). There was also a transfer of \$56 million from the BOP's S&E



funds to the United States Marshal Service (see the attached Table of Reprogrammings and Transfers).

7. BOP did not have any ONDCP Fund Control Notices issued in FY 2022.

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February 1, 2023

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Lisa Ward,  
Assistant Director for Administration

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Date

**U.S. Department of Justice**  
**Federal Bureau of Prisons**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

	<b>FY 2022 Actual Obligations</b>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Decision Unit #1: Inmate Care and Programs</b>	
Treatment	\$ 108.65
Corrections	1,365.72
Harm Reduction	0.26
<b>Total Inmate Care and Programs</b>	<b>\$ 1,474.63</b>
<b>Decision Unit #2: Security/Management and Administration</b>	
Corrections	\$ 1,804.70
<b>Total Security/Management and Administration</b>	<b>\$ 1,804.70</b>
<b>Decision Unit #3: Contract Confinement</b>	
Treatment	\$ 42.49
Corrections	311.55
<b>Total Contract Confinement</b>	<b>\$ 354.04</b>
<b>Decision Unit #4: New Construction</b>	
Corrections	\$ 1.80
<b>Total New Construction</b>	<b>\$ 1.80</b>
<b>Decision Unit #5: Modernization and Repair</b>	
Corrections	\$ 26.23
<b>Total Modernization and Repair</b>	<b>\$ 26.23</b>
<b>Total Obligations</b>	<b>\$ 3,661.40</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

**U.S. Department of Justice  
Federal Bureau of Prisons  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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 (45.1%).

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) Unified Financial Management System (UFMS).

Financial Systems - The UFMS 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 2021).

Disclosure 3: Material Weaknesses or Other Findings

In FY 2022, the independent auditors identified one material weakness in the Agency Financial Report. The material weakness related to BOP not maintaining effective internal controls over financial management and reporting.

**U.S. Department of Justice  
Federal Bureau of Prisons  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

The BOP will continue to develop, enhance, and document our processes and procedures necessary to execute effective internal controls. The BOP will assess critical reports necessary to support validation of effective financial controls and ensure key personnel are properly trained to perform key roles, address risk and support the internal control system.

Disclosure 4: Reprogrammings or Transfers

BOP's FY 2022 obligations include all approved transfers and there were no reprogrammings. (see the attached Table of Reprogrammings and Transfers). In FY 2022, there was a transfer of \$95.1 million from the BOP's S&E funds to Health and Human Services for Public Health Service (PHS). There was also a transfer of \$56 million from the BOP's S&E funds to the United States Marshal Service (see the attached Table of Reprogrammings and Transfers).

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 2022, \$1,663,514 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 10 PHS Full Time Equivalents in relation 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, 2022  
 (Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
<b>Decision Unit #1: Inmate Care and Programs</b>				
Corrections	\$ -	\$ 42.91	\$ (42.91)	\$ -
<b>Total Inmate Care and Programs</b>	\$ -	\$ 42.91	\$ (42.91)	\$ -
<b>Decision Unit #2: Security/Management and Administration</b>				
Corrections	\$ -	\$ -	\$ (25.26)	\$ (25.26)
<b>Total Security/Management and Administration</b>	\$ -	\$ -	\$ (25.26)	\$ (25.26)
<b>Decision Unit #3: Contract Confinement</b>				
Corrections	\$ -	\$ -	\$ -	\$ -
<b>Total Contract Confinement</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Funding</b>	\$ -	\$ 42.91	\$ (68.17)	\$ (25.26)
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$ -	\$ -	\$ -	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF)	\$ -	\$ -	\$ -	\$ -



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Washington, D.C. 20531

**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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. 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. OJP did not have any ONDCP Fund Control Notices issued in FY 2022.

RACHEL  
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February 1, 2023

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Rachel Johnson,  
Chief Financial Officer

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Date



U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)

	<b>FY 2022 Actual Obligations</b> <i>1/, 2/</i>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Regional Information Sharing System Program</b>	
State and Local Assistance	\$ 14.89
<b>Total, Regional Information Sharing System Program</b>	<b>\$ 14.89</b>
<b>Drug Court Program</b>	
Treatment	\$ 153.23
<b>Total, Drug Court Program <sup>3/</sup></b>	<b>\$ 153.23</b>
<b>Justice and Mental Health Collaboration Program</b>	
Treatment	\$ 10.38
<b>Total, Justice and Mental Health Collaboration Program <sup>3/</sup></b>	<b>\$ 10.38</b>
<b>Residential Substance Abuse Treatment Program</b>	
Treatment	\$ 37.29
<b>Total, Residential Substance Abuse Treatment Program <sup>3/</sup></b>	<b>\$ 37.29</b>
<b>Harold Rogers' Prescription Drug Monitoring Program</b>	
State and Local Assistance	\$ 47.12
<b>Total, Harold Rogers' Prescription Drug Monitoring Program</b>	<b>\$ 47.12</b>
<b>Second Chance Act Program</b>	
Treatment	\$ 58.52
<b>Total, Second Chance Act Program <sup>3/</sup></b>	<b>\$ 58.52</b>
<b>Project Hope Opportunity Probation with Enforcement</b>	
State and Local Assistance	\$ 8.72
<b>Total, Project Hope Opportunity Probation with Enforcement <sup>3/</sup></b>	<b>\$ 8.72</b>
<b>Byrne Criminal Justice Innovation Program</b>	
State and Local Assistance	\$ 6.34
<b>Total, Byrne Criminal Justice Innovation Program</b>	<b>\$ 6.34</b>

U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>FY 2022 Actual Obligations</b> <i>1/, 2/</i>
<b>Edward Byrne Memorial Justice Assistance Grant Program</b>	
State and Local Assistance	\$ 36.08
Recovery	3.14
<b>Total, Edward Byrne Memorial Justice Assistance Grant Program</b>	<b>\$ 39.22</b>
<b>Tribal Youth Program</b>	
Prevention	\$ 7.22
<b>Total, Tribal Youth Program</b> <sup>3/</sup>	<b>\$ 7.22</b>
<b>Veterans Treatment Courts Program</b>	
Treatment	\$ 42.21
<b>Total, Veterans Treatment Courts Program</b> <sup>3/</sup>	<b>\$ 42.21</b>
<b>Comprehensive Opioid, Stimulant, and Substance Use Program</b>	
Treatment	\$ 327.56
<b>Total, Comprehensive Opioid, Stimulant, and Substance Use Program</b> <sup>4/</sup>	<b>\$ 327.56</b>
<b>Tribal Assistance</b>	
Treatment	\$ 11.12
Recovery	10.27
<b>Total, Tribal Assistance</b>	<b>\$ 21.39</b>
<b>Forensic Support for Opioid and Synthetic Drug Investigation</b>	
State and Local Assistance	\$ 14.90
<b>Total, Forensic Support for Opioid and Synthetic Drug Investigation</b>	<b>\$ 14.90</b>
<b>Opioid-Affected Youth Initiative</b>	
Prevention	\$ 20.49
<b>Total, Opioid-Affected Youth Initiative</b> <sup>3/</sup>	<b>\$ 20.49</b>

**U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)**

	<b>FY 2022 Actual Obligations</b> <i>1/, 2/</i>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Mentoring for Youth Affected by the Opioid Crisis</b>	
Prevention	\$ 32.96
<b>Total, Mentoring for Youth Affected by the Opioid Crisis</b> <sup>3/</sup>	<b>\$ 32.96</b>
<b>Total Obligations</b>	
	<b>\$ 842.44</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -

<sup>1/</sup> Actual obligations reflect direct program obligations plus estimated management and administration obligations.

<sup>2/</sup> 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. The obligations displayed in this table includes obligations for FY 2021 awards made after September 30, 2021, as well as obligations for FY 2022 awards.

<sup>3/</sup> This decision unit also now includes the Recovery function. An estimate of the Recovery allocation is being developed for use beginning in FY 2023.

<sup>4/</sup> This decision unit also now includes the Recovery and Harm Reduction functions. Estimates of both the Recovery and Harm Reduction allocations are being developed for use beginning in FY 2023.

**U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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. 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 individuals 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.

In March 2022, OJP and the Office of National Drug Control Policy (ONDCP) established a revised drug budget methodology that will be applied to drug budget reporting starting with the Fiscal Year (FY 2024) budget cycle. Therefore, the FY 2022 and 2023 drug budget attestations will reflect the older drug budget methodology (established in January 2018) to match the methodology used in drug budget reporting for these years, rather than the revised methodology.

The Table of Drug Control Obligations was prepared in accordance with the (ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021). The OJP obligations reported for the Fiscal Year (FY) 2022 attestation reflect the drug budget methodology established by OJP and ONDCP in January 2018 (as noted above).

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 2022 drug obligations have a total of 16 decision units identified for the National Drug Control Budget. No new decision units were added in FY 2022 and there have been no further changes in how financial data on OJP's drug-related programs is reported in the Unified Financial Management System (UFMS) since the FY 2021 attestation.

The 16 decision units in FY 2022 include the following:

- Regional Information Sharing System Program
- Drug Court Program
- Justice and Mental Health Collaboration Program
- 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

**U.S. Department of Justice  
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For Fiscal Year Ended September 30, 2022**

- Edward Byrne Memorial Justice Assistance Grant Program
- Tribal Youth Program
- Veterans Treatment Courts Program
- Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)
- 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, 2022, 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.

In FY 2021, obligations for most of OJP's drug-related programs were limited due to delays in processing grant awards under OJP's new JustGrants system. Therefore, the total obligations reported in the FY 2022 attestation reflect obligations for FY 2021 awards made after September 30, 2021, as well as obligations for FY 2022 awards.

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 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:

**U.S. Department of Justice  
Office of Justice Programs  
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For Fiscal Year Ended September 30, 2022**

**Function:** OJP’s drug-related programs now support two new drug control budget functions, Harm Reduction and Recovery, in addition to the three functions reported in previous attestations (State and Local Assistance, Treatment, and Prevention). In the FY 2022 attestation, the drug control budget functions supported by each ONDCP drug budget program have been updated to reflect an interim agreement on what budget functions should be associated with each OJP program and how total program funding should be allocated between these functions. OJP and ONDCP will continue to discuss this aspect of OJP’s drug budget methodology and implement a final revision to the methodology during FY 2023.

**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 the Justice and Mental Health Collaboration Program 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
- Only 51 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.



**U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

Disclosure 2: Methodology Modifications

Aside from the updates to the drug control budget functions discussed above, which do not affect the computation of the funding totals shown in this attestation, there have been no other changes to the drug budget methodology since FY 2021.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2022, OJP was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2022 *Independent Auditors' Report* revealed no material weaknesses or significant deficiencies directed to OJP. Additionally, the Department's assessment of risk and internal controls in FY 2022 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

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 2022, for the reported decision units and programs, OJP had no reprogrammings, and \$82.28 million and \$104.17 million in drug-related transfers-in and transfers-out, respectively. The transfers-in amounts include OJP's FY 2022 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 2022, OJP's drug-related programs were supported by \$572.89 million in unobligated resources carried forward from previous fiscal years. Of this amount, \$28.91 million was rescinded to assist in addressing rescission against OJP's past years' unobligated balances that was included in the Consolidated Appropriations Act, of 2022. (For a program-by-program breakdown of carryforward and rescission amounts, please refer to the Funding Crosswalk for Drug Programs table.)

U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Reprogrammings and Transfers  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings <sup>1/</sup>	Transfers-in <sup>2/</sup>	Transfers-Out <sup>3/</sup>	Total
<b>Regional Information Sharing System Program</b>				
State and Local Assistance	\$ -	\$ 38.60	\$ (0.84)	\$ 37.76
<b>Total, Regional Information Sharing System Program</b>	\$ -	\$ 38.60	\$ (0.84)	\$ 37.76
<b>Drug Court Program</b>				
Treatment	\$ -	\$ 3.54	\$ (8.86)	\$ (5.32)
<b>Total, Drug Court Program <sup>4/</sup></b>	\$ -	\$ 3.54	\$ (8.86)	\$ (5.32)
<b>Justice and Mental Health Collaboration Program</b>				
Treatment	\$ -	\$ 1.09	\$ (4.03)	\$ (2.94)
<b>Total, Justice and Mental Health Collaboration Program <sup>4/</sup></b>	\$ -	\$ 1.09	\$ (4.03)	\$ (2.94)
<b>Residential Substance Abuse Treatment Program</b>				
Treatment	\$ -	\$ 1.68	\$ (4.03)	\$ (2.35)
<b>Total, Residential Substance Abuse Treatment Program <sup>4/</sup></b>	\$ -	\$ 1.68	\$ (4.03)	\$ (2.35)
<b>Harold Rogers' Prescription Drug Monitoring Program</b>				
State and Local Assistance	\$ -	\$ 2.12	\$ (3.32)	\$ (1.20)
<b>Total, Harold Rogers' Prescription Drug Monitoring Program</b>	\$ -	\$ 2.12	\$ (3.32)	\$ (1.20)

U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Reprogrammings and Transfers  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings <sup>1/</sup>	Transfers-in <sup>2/</sup>	Transfers-Out <sup>3/</sup>	Total
<b>Second Chance Act Program</b>				
Treatment	\$ -	\$ 8.08	\$ (10.07)	\$ (1.99)
<b>Total, Second Chance Act Program <sup>4/</sup></b>	\$ -	\$ 8.08	\$ (10.07)	\$ (1.99)
<b>Project Hope Opportunity Probation with Enforcement</b>				
State and Local Assistance	\$ -	\$ 0.15	\$ (0.50)	\$ (0.35)
<b>Total, Project Hope Opportunity Probation with Enforcement <sup>4/</sup></b>	\$ -	\$ 0.15	\$ (0.50)	\$ (0.35)
<b>Byrne Criminal Justice Innovation Program</b>				
State and Local Assistance	\$ -	\$ 2.17	\$ -	\$ 2.17
<b>Total, Byrne Criminal Justice Innovation Program</b>	\$ -	\$ 2.17	\$ -	\$ 2.17
<b>Edward Byrne Memorial Justice Assistance Grant Program</b>				
State and Local Assistance	\$ -	\$ 9.50	\$ (35.40)	\$ (25.90)
Recovery	\$ -	\$ 0.83	\$ (3.08)	\$ (2.25)
<b>Total, Edward Byrne Memorial Justice Assistance Grant Program</b>	\$ -	\$ 10.33	\$ (38.48)	\$ (28.15)
<b>Tribal Youth Program</b>				
Prevention	\$ -	\$ 0.07	\$ (1.41)	\$ (1.34)
<b>Total, Tribal Youth Program <sup>4/</sup></b>	\$ -	\$ 0.07	\$ (1.41)	\$ (1.34)
<b>Veterans Treatment Courts Program</b>				
Treatment	\$ -	\$ 1.29	\$ (2.92)	\$ (1.63)
<b>Total, Veterans Treatment Courts Program <sup>4/</sup></b>	\$ -	\$ 1.29	\$ (2.92)	\$ (1.63)

U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Reprogrammings and Transfers  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>Reprogrammings <sup>1/</sup></b>	<b>Transfers-in <sup>2/</sup></b>	<b>Transfers-Out <sup>3/</sup></b>	<b>Total</b>
<b>Comprehensive Opioid, Stimulant, and Substance Use Program</b>				
Treatment	\$ -	\$ 5.05	\$ (20.14)	\$ (15.09)
<b>Total, Comprehensive Opioid, Stimulant, and Substance Use Program <sup>5/</sup></b>	\$ -	\$ 5.05	\$ (20.14)	\$ (15.09)
<b>Tribal Assistance</b>				
Treatment	\$ -	\$ 2.21	\$ (2.62)	\$ (0.41)
Recovery	\$ -	\$ 2.04	\$ (2.42)	\$ (0.38)
<b>Total, Tribal Assistance</b>	\$ -	\$ 4.25	\$ (5.04)	\$ (0.79)
<b>Forensic Support for Opioid and Synthetic Drug Investigations</b>				
State and Local Assistance	\$ -	\$ 2.13	\$ (3.32)	\$ (1.19)
<b>Total, Forensic Support for Opioid and Synthetic Drug Investigations</b>	\$ -	\$ 2.13	\$ (3.32)	\$ (1.19)
<b>Opioid-Affected Youth Initiative</b>				
Prevention	\$ -	\$ 0.73	\$ (1.21)	\$ (0.48)
<b>Total, Opioid-Affected Youth Initiative <sup>4/</sup></b>	\$ -	\$ 0.73	\$ (1.21)	\$ (0.48)
<b>Mentoring for Youth Affected by the Opioid Crisis</b>				
Prevention	\$ -	\$ 1.00	\$ -	\$ 1.00
<b>Total, Mentoring for Youth Affected by the Opioid Crisis <sup>4/</sup></b>	\$ -	\$ 1.00	\$ -	\$ 1.00

U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Report  
Table of Reprogrammings and Transfers  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings <sup>1/</sup>	Transfers-in <sup>2/</sup>	Transfers-Out <sup>3/</sup>	Total
<b>Total Obligations</b>	\$ -	\$ 82.28	\$ (104.17)	\$ (21.89)
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -	\$ -	\$ -	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -	\$ -	\$ -	\$ -

<sup>1/</sup> There were no reprogrammings related to the programs displayed in this table in FY 2022.

<sup>2/</sup> Amounts shown for Transfers In reflect a Congressionally-directed \$38.6 million transfer from COPS to fund the Regional Information Sharing System, as well as FY 2022 recoveries.

<sup>3/</sup> 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 \$1.5 million to DOJ's Civil Rights Division (CRT) to provide additional support for civil rights enforcement efforts.

<sup>4/</sup> This decision unit also now includes the Recovery function. An estimate of the Recovery allocation is being developed for use beginning in FY 2023.

<sup>5/</sup> This decision unit also now includes the Recovery and Harm Reduction functions. Estimates of both the Recovery and Harm Reduction allocations are being developed for use beginning in FY 2023.



**U.S. Department of Justice**

Executive Office for United States Attorneys

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**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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 the Budget Decision Unit.
2. The drug methodology used by the United States Attorneys 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 2022.
7. The United States Attorneys did not have any ONDCP Fund Control Notices issued in FY 2022.

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Jonathan Pelletier  
Chief Financial Officer

**2/1/23**

Date



**U.S. Department of Justice**  
**United States Attorney**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

	<b>FY 2022 Actual Obligations</b>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Decision Unit: Criminal</b>	
Prosecution	\$ 125.65
<b>Total Criminal</b>	<b>\$ 125.65</b>
<b>Total Obligations</b>	<b>\$ 125.65</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.66
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ 164.42
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

**U.S. Department of Justice  
United States Attorneys  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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 2022, 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 2022, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statement audit. The fiscal year 2022 audit resulted in an unmodified opinion on the financial statements. The DOJ's consolidated FY 2022 Independent Auditor's Report revealed no material weaknesses or significant deficiencies directed to the USAOs.

#### Disclosure 4: Reprogrammings or Transfers

There was no drug related reprogrammings or transfers that affected drug-related budgetary resources in FY 2022.



**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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 2022.

7. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2022.

**JESSICA  
CROWLEY**

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Jessica Crowley, Budget Officer

**U.S. Department of Justice**  
**Organized Crime Drug Enforcement Task Force**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>FY 2022 Actual Obligations</b>
<b>Decision Unit #1: Investigations</b>	
Drug Enforcement Administration (DEA)	\$ 183.77
Federal Bureau of Investigation (FBI)	129.00
U.S. Marshals Service (USMS)	11.81
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	12.36
OCDETF Fusion Center (OFC)	35.40
International Organized Crime Intelligence and Operations Center (IOC-2)	6.13
National Emerging Threats	0.86
Co-Located Strike Forces Operations	5.02
<b>Total Investigations</b>	<b>\$ 384.35</b>
<b>Decision Unit #2: Prosecutions</b>	
U.S. Attorneys (USAs)	\$ 167.13
Criminal Division (CRM)	2.66
EXO Threat Response Unit (TRU)	0.85
<b>Total Prosecutions</b>	<b>\$ 170.64</b>
<b>Total Obligations</b>	<b>\$ 554.99</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	



**U.S. Department of Justice**  
**Organized Crime Drug Enforcement Task Forces Program**  
**Detailed Accounting Report**  
**Related Disclosures**  
**For Fiscal Year Ended September 30, 2022**

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 2022 the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2022 *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 2022 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 2022.





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, 2022**

On the basis of the U.S. 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' 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 2022.
7. The USMS did not have any ONDCP Fund Control Notices issued in FY 2022.

  
\_\_\_\_\_  
Holley O'Brien  
Chief Financial Officer

  
\_\_\_\_\_  
Date

**U.S. Department of Justice**  
**U.S. Marshals Service**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

	<b>FY 2022 Actual Obligations</b>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Decision Unit #1: Fugitive Apprehension</b>	
International	\$ 1.19
Investigations	117.77
<b>Total Fugitive Apprehension</b>	<b>\$ 118.96</b>
<b>Decision Unit #2: Judicial and Courthouse Security</b>	
Prosecution	\$ 165.30
<b>Total Judicial and Courthouse Security</b>	<b>\$ 165.30</b>
<b>Decision Unit #3: Prisoner Security and Transportation</b>	
Prosecution	\$ 81.49
<b>Total Prisoner Security and Transportation</b>	<b>\$ 81.49</b>
<b>Decision Unit #4: Tactical Operations</b>	
Harm Reduction	\$ 0.01
<b>Total Tactical Operations</b>	<b>\$ 0.01</b>
<b>Decision Unit #5: Detention</b>	
Corrections	\$ 708.69
<b>Total Detention</b>	<b>\$ 708.69</b>
<b>Total Obligations</b>	<b>\$ 1,074.45</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.94
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ 11.72
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

**U.S. Department of Justice  
U.S. Marshals Service  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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.

A fourth decision unit, Tactical Operations, utilizes a projected annual cost for Naloxone (also known as Narcan) as part of the Operation Medical Support Unit (OMSU). The OMSU issues naloxone kits to its medically trained Deputy/Medic workforce as part of its routine medication issuance. The total actual cost is applied to the drug resources under Tactical Operations.

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



**U.S. Department of Justice  
U.S. Marshals Service  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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 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 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.<sup>1</sup>

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

According to ONDCP Circular: Budget Formulation (dated September 9, 2021), all National Drug Control Program agencies are required to report their funding in the new Harm Reduction and Recovery categories. The USMS' drug resources adds the costs for Naloxone to the Tactical Operations decision unit OMSU program. The USMS spends approximately \$6,000 annually on Naloxone. For FY 2022, the actual amount spent was \$5,649, which still rounds to \$0.01M in the Detailed Accounting Report Table of Drug Control Obligations. The addition of the Harm Reduction costs provide no significant change to the methodology and percentage of drug resources to the total USMS budget.

All previous methods are the same.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2022, 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 2022 Independent Auditors' Report, which was performed in Accordance with *Government Auditing*

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<sup>1</sup> Capture data reports were generated in October, 2022.



**U.S. Department of Justice  
U.S. Marshals Service  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

*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 2022 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 related to drug budgetary resources.

Disclosure 5: Other Disclosures

None.



U.S. Department of Justice

Criminal Division

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Office of Administration

Washington, D.C. 20530

**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

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 control obligations are consistent with the application of the approved methodology for calculating drug control funding against CRM's accounting system of record for this Budget Decision Unit.
2. 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.
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 2022.
7. CRM did not have any ONDCP Fund Control Notices issued in FY 2022.

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Tracy Melton, Executive Officer

3/15/23

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Date

**U.S. Department of Justice  
Criminal Division  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

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 2022, the Division's drug resources as a percentage of its overall actual obligations were 23.4%.

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 2022, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2022 *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 2022 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.

**FY 2022**  
**Actual Obligations**

**Drug Obligations by Budget Decision Unit and Function:**

**Decision Unit: Enforcing Federal Criminal Laws**

Prosecution

\$ 48.07

**Total Enforcing Federal Criminal Laws**

\$ 48.07

**Total Drug Control Obligations**

\$ 48.07



**U.S. Department of Justice**

Bureau of Alcohol, Tobacco,  
Firearms and Explosives

*Assistant Director*  
*Washington, DC*

**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2022**

On the basis of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) 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 ATF 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 ATF's accounting system of record for this Budget Decision Unit.
2. The drug methodology used by the ATF 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 2022.
7. The ATF did not have any ONDCP Fund Control Notices issued in FY 2022.

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For Francis H. Frandé  
Chief Financial Officer

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Date



**U.S. Department of Justice  
Bureau of Alcohol, Tobacco, Firearms and Explosives  
Detailed Accounting Report  
Related Disclosures  
For Fiscal Year Ended September 30, 2022**

Disclosure 1: Drug Methodology

*The ATF does not receive a specific appropriation for drug-related work relative to the National Drug Control Strategy (Strategy). However, the ATF does contribute to the Strategy through its mission to combat violent firearms crime by drug offenders in American communities.*

*To quantify how the ATF supports the Strategy, the total number of cases involving a drug or narcotics charge identified in the ATF's case management system are divided by the total number of actual cases to arrive at a ratio of criminal investigations with a drug or narcotics nexus. Cases with drug attributes include charges filed under 18 USC 922(g)(3); 18 USC 924(c); 18 USC 922(d)(3); narcotics violations (Federal/state); 21 USC 844(a); 21 USC 846 and several other provisions related to narcotics crimes to derive the drug nexus ratio. Further, the ATF factors in drug charges as a percentage of all charges in drug-related cases. Since many cases involve criminal possession and use of firearms, illegal firearms trafficking, and gang-related violent crime, many offenders and gang members arrested are often in possession of illegal drugs or narcotics. While not the ATF's primary mission, the seizure of these drugs/narcotics and the filing of criminal charges under the drug statutes do support the Strategy.*

Disclosure 2: Methodology Modifications

*There have been no changes in the ATF's Drug Methodology.*

Disclosure 3: Material Weaknesses or Other Findings

*There have been no material weaknesses identified that would affect ATF's reporting of drug-related obligations data.*

Disclosure 4: Reprogrammings or Transfers

*There were no reprogrammings or transfers related to drug-related budgetary resources.*

Disclosure 5: Other Disclosures

*The ATF has no other disclosures related to drug-related obligations, data or methodology.*

**U.S. Department of Justice**  
**Bureau of Alcohol, Tobacco, Firearms and Explosives**  
**Detailed Accounting Report**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2022**  
**(Dollars in Millions)**

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>FY 2022 Actual Obligations</b>
<b>Decision Unit #1: Law Enforcement Operations *</b>	
Illegal Firearms Trafficking	\$ 7.33
Criminal Groups and Gangs	4.25
Firearms Criminal Possession and Use	29.10
Agent Cashier Narcotics	0.10
<b>Total Law Enforcement Operations</b>	<b>\$ 40.78</b>
<b>Decision Unit #2: [Name of Decision Unit *]</b>	
[Name of Program]	\$ -
[Name of Program]	-
[Name of Program]	-
[Name of Program]	-
<b>Total [Name of Decision Unit #2]</b>	<b>\$ -</b>
<b>Decision Unit #3: [Name of Decision Unit *]</b>	
[Name of Program]	\$ -
[Name of Program]	-
[Name of Program]	-
[Name of Program]	-
<b>Total [Name of Decision Unit #3]</b>	<b>\$ -</b>
<b>Decision Unit #4: [Name of Decision Unit *]</b>	
[Name of Program]	\$ -
[Name of Program]	-
[Name of Program]	-
[Name of Program]	-
<b>Total [Name of Decision Unit #4]</b>	<b>\$ -</b>
<b>Total Obligations</b>	<b>\$ 40.78</b>
High-Intensity Drug Trafficking Area (HIDTA) <b>Obligations</b>	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) <b>Resources</b>	\$ -
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

# Tab K



February 27, 2023

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 2022 Compliance Reports (Report), consisting of the Budget Formulation Compliance Report and Detailed Accounting Report. In accordance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews* (Circular), issued September 9, 2021, DOL affirms the assertions identified below are fairly presented in all material respects with the ONDCP established criteria.

Statements in this document are assertions to the effect of what is required by the Circular.

### **Budget Formulation Compliance Report Assertions**

DOL affirms that the FY 2024 Summer Drug Budget (Budget) was submitted to ONDCP on July 27, 2022.

DOL affirms that the Budget was submitted to ONDCP at 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 Assertions**

DOL affirms that the data and information presented on prior year obligations has been reported accurately.

DOL affirms obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record for these Budget Decision Units or are consistent with the application of the approved methodology, as required by *ONDCP Circular: Budget Formulation* (Section 7).

DOL affirms the reasonableness and accuracy of the drug methodology used to calculate obligations of prior year budgetary resources by decision unit and by function.

DOL affirms 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) of the Circular.



DOL affirms that all material weaknesses or other findings by independent sources, or other known weaknesses, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

DOL affirms that any modifications made to methodology for reporting drug control resources from the previous year's reporting are disclosed and, if a modification is reported, whether the modification was approved by ONDCP.

DOL affirms 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)).

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

**Inspector General Authentication Exemption**

As the Department's FY 2022 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.

If you have any questions, please contact Emily Page at [REDACTED]

Sincerely,

A handwritten signature in black ink, appearing to read "Geoffrey Kenyon".

Geoffrey Kenyon  
Deputy Assistant Secretary for Budget and Performance

**DEPARTMENT OF LABOR**  
**Employment and Training Administration**  
**Training and Employment Services**  
**Detailed Accounting Report**

Budget Authority (in Millions)		
Resource Summary	FY 2022 Enacted BA	FY 2022 Final Obligations
<b>Drug Resources by Function</b>		
Recovery	\$15.941	\$15.941
<b>Drug Resources by Decision Unit</b>		
Adult Employment and Training Activities	\$0	\$0
Dislocated Worker Employment and Training Activities	\$15.941	\$15.941
Youth Activities	\$0	\$0
Reintegration of Ex-Offenders	\$0	\$0
Native Americans	\$0	\$0
Migrant and Seasonal Farmworkers	\$0	\$0
H-1B Job Training Grants	\$0	\$0
Data Quality Initiative	\$0	\$0
Apprenticeship Grants	\$0	\$0
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	0	0

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 2021 were available for obligation from July 1, 2021 through September 30, 2022. However, the budget authority tables reflect what was obligated during FY 2022. Because no funds are appropriated specifically for the National Health Emergency Grants, both the Enacted BA and Final Obligations align with what was obligated during the fiscal year. During Fiscal Year 2022, the Department obligated grant awards totaling \$15.9 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 makes the assertion that there is no information to report for this section.

## **MATERIAL WEAKNESSES OR OTHER FINDINGS**

The Department makes the assertion that there is no information to report for this section.

## **REPROGRAMMINGS OR TRANSFERS**

The Department makes the assertion that there is no information to report for this section.

## **OTHER DISCLOSURES**

The Department makes the assertion that there is no information to report for this section.

**DEPARTMENT OF LABOR**  
**Employment and Training Administration**  
**Office of Job Corps**  
**Detailed Accounting Report**

Budget Authority (in Millions)		
Resource Summary	FY 2022 Enacted BA	FY 2022 Final Obligations
<b>Drug Resources by Function</b>		
Prevention	\$6.000	\$4.200
<b>Drug Resources by Decision Unit</b>		
Operations	\$6.000	\$4.200
Construction, Rehabilitation, and Acquisition (CRA)	\$0	\$0
Administration	\$0	\$0
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	0	0

**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 opportunity youth, ages 16-24, including youth with disabilities, youth experiencing homelessness, young parents, refugees, and human trafficking survivors. There are currently 121 Job Corps centers nationwide in 50 states, Puerto Rico, and the District of Columbia providing services to approximately 30,000 opportunity youth each year to help them acquire high school diplomas and occupational credentials leading to a job, registered apprenticeship, or military. Job Corps’ enrollment processes include assisting students with life skills through 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 2021 were available for obligation from July 1, 2021 through June 30, 2022. However, the budget authority tables reflect what was obligated during FY 2022. During FY 2022, the Department obligated \$4.2 million toward TEAP and drug testing contract support.

## **DRUG METHODOLOGY**

The Office of Job Corps' expenditures for TEAP 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.

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.

## **METHODOLOGY MODIFICATIONS**

The Department makes the assertion that there is no information to report for this section.

## **MATERIAL WEAKNESSES OR OTHER FINDINGS**

The Department makes the assertion that there is no information to report for this section.

## **REPROGRAMMINGS OR TRANSFERS**

The Department makes the assertion that there is no information to report for this section.

## **OTHER DISCLOSURES**

The Department makes the assertion that there is no information to report for this section.

**DEPARTMENT OF LABOR**  
**Office of Workers' Compensation Programs**  
**Special Benefits**  
**Detailed Accounting Report**

Budget Authority (in Millions)		
Resource Summary	FY 2022 Enacted BA	FY 2022 Final Obligations
<b>Drug Resources by Function</b>	\$7.769	\$7.769
Prevention		
<b>Drug Resources by Decision Unit</b>		
Federal programs for workers' compensation	\$7.769	\$7.769
American Rescue Plan Act	\$0	\$0
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	68	68

**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. OWCP ensures parity of coverage for mental and substance use disorders in injury-related treatment access for all FECA beneficiaries as it is paramount to the administration of the program.

OWCP is developing a detailed ONDCP-related funding level methodology for preparation of the FY 2025 budget cycle. For prior years, funding levels are based on increases provided in fiscal years 2018 and 2019 for the administration of efforts that improve the safety and quality of care as it relates to prescription drugs.

## **METHODOLOGY MODIFICATIONS**

The Department makes the assertion that there is no information to report for this section.

## **MATERIAL WEAKNESSES OR OTHER FINDINGS**

The Department makes the assertion that there is no information to report for this section.

## **REPROGRAMMINGS OR TRANSFERS**

The Department makes the assertion that there is no information to report for this section.

## **OTHER DISCLOSURES**

The Department makes the assertion that there is no information to report for this section.



**DEPARTMENT OF LABOR**  
**Office of Inspector General**  
**Detailed Accounting Report**

Budget Authority (in Millions)		
Resource Summary	FY 2022 Enacted BA	FY 2022 Final Obligations
<b>Drug Resources by Function</b> Investigations	\$1.800	\$1.800
<b>Drug Resources by Decision Unit</b>		
Program and Trust Funds	\$1.800	\$1.800
OIG American Rescue Plan	\$0	\$0
CARES Act	\$0	\$0
<b>Drug Resources Personnel Summary</b>		
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.

OIG criminal investigators typically focus on multiple different DOL programs based on complaints received from the OIG Hotline; the results of data analytics; and those program areas identified with the highest risk. To calculate the OIG's effort in FECA-related investigative

matters, the OIG tracks the number of hours dedicated to these matters. In FY 2022, OIG criminal investigators charged 9,062 hours directly to FECA-related investigative matters. Although our managers and our headquarter support functions do not charge time directly to specific cases, the OIG typically estimates that the number of these hours spent on cases is roughly equivalent to the number of direct hours charged. As a result, the OIG estimated that we spent approximately 18,124 ours on FECA-related investigative matters in FY 22. This is equivalent to approximately 9 FTE.

### **METHODOLOGY MODIFICATIONS**

The Department makes the assertion that there is no information to report for this section.

### **MATERIAL WEAKNESSES OR OTHER FINDINGS**

The Department makes the assertion that there is no information to report for this section.

### **REPROGRAMMINGS OR TRANSFERS**

The Department makes the assertion that there is no information to report for this section.

### **OTHER DISCLOSURES**

The Department makes the assertion that there is no information to report for this section.

**DEPARTMENT OF LABOR**  
**Employee Benefits Security Administration**  
**Detailed Accounting Report**

Budget Authority (in Millions)			
Resource Summary	FY 2022 Supplemental BA	FY 2022 Enacted BA	FY 2022 Final Obligations
<b>Drug Resources by Function</b>	\$5.530	\$0	\$5.530
Recovery			
<b>Drug Resources by Decision Unit</b>			
Enforcement and participant assistance	\$5.530	\$0	\$5.530
Policy and compliance assistance	\$0	\$0	\$0
Executive leadership, program oversight and administration	\$0	\$0	\$0
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	35	0	35

**MISSION**

EBSA’s mission is to ensure the security of the retirement, health and other workplace-related benefits of America’s workers and their families. Although EBSA is a small agency, currently employing approximately 800 people, it is responsible for protecting more than 158 million workers, retirees, and their families, who are covered by approximately 734,000 private retirement plans, 2 million health plans, and 662,000 other welfare benefit plans. Together, these plans hold estimated assets of \$12.9 trillion.

Employment-based benefit plans are vital to the financial security and physical well-being of millions of workers, retirees, and their families. EBSA’s work supports the Secretary’s policy priorities to *Invest and Value the Nation’s Care Economy* and *Support a Lifetime of Worker Empowerment* by protecting the public interest in retirement, health, and other benefits, and increasing confidence that promised benefits will be available when needed. EBSA carries out its mission in a complex and evolving economic and regulatory environment, in support of the Secretary’s vision to empower workers morning, noon, and night.

**DRUG METHODOLOGY**

The base, annual appropriation of EBSA does not contain resources for ONDCP-related initiatives.

In FY 2022, EBSA was apportioned \$23.779 million in supplemental funding to increase mental health and substance use disorder (SUD) parity enforcement efforts and bolster audits of plans' and issuers' comparative analyses of their non-quantitative treatment limitations (NQTLs), pursuant to Consolidated Appropriations Act (CAA) P.L. 116-260. In support of building a recovery ready nation, EBSA obligated \$5.530 million of overall CAA enforcement resources for NQTL provisions and SUD in FY 2022. Total surprise medical billing enforcement efforts in FY 2022 encompassed 91 FTEs (187,718 hours), of which 35 FTEs (71,353 hours) were attributed specifically to ONDCP-related activities involving SUD and enforcement of NQTL provisions.

### **METHODOLOGY MODIFICATIONS**

The Department makes the assertion that there is no information to report for this section.

### **MATERIAL WEAKNESSES OR OTHER FINDINGS**

The Department makes the assertion that there is no information to report for this section.

### **REPROGRAMMINGS OR TRANSFERS**

The Department makes the assertion that there is no information to report for this section.

### **OTHER DISCLOSURES**

The Department makes the assertion that there is no information to report for this section.



**DEPARTMENT OF LABOR**  
**Office of Disability Employment Policy**  
**Detailed Accounting Report**

Budget Authority (in Millions)		
Resource Summary	FY 2022 Enacted BA	FY 2022 Final Obligations
<b>Drug Resources by Function</b>		
Recovery	\$0.800	\$0.800
<b>Drug Resources by Decision Unit</b>		
Office of Disability Employment Policy	\$0.800	\$0.800
Reimbursable program activity	\$0	\$0
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	0	0

**MISSION**

The Office of Disability Employment Policy’s (ODEP) mission is to develop and influence policies and practices to increase employment opportunities for people with disabilities. This mission is in response to stark inequities between the employment and earnings of people with disabilities in comparison to people without disabilities. One ODEP project, Advancing State Policy Integration for Recovery and Employment (ASPIRE), works to support and expand [competitive integrated employment \(CIE\)](#) for people with mental health conditions. As part of this initiative, ASPIRE includes individuals with mental health conditions who may also have co-occurring substance use disorders. Ensuring that the employment needs of this population are met is an important consideration and component of this project. In addition, there is a growing research base to support the validity of Individual Placement and Support (IPS) Supported Employment, the primary intervention strategy and focus of ASPIRE activities, as an evidence-based practice for individuals with substance use disorders.

**DRUG METHODOLOGY**

The drug resources cost estimates are based on the total estimated spending for the competitive contract. The funding awarded for ASPIRE goes to the contractor only—states do not receive funds. The contractor will select states to receive technical assistance supports from ASPIRE. To qualify for selection in FY 2024, state applicants must include a representative from at least one key state or local mental health stakeholder organization, and one state-level substance/addiction treatment agency/entity representative, or one behavioral health representative. Including these representatives assists with reducing potential barriers and ensuring more consistent strategies across the state. The targeted population for the new ASPIRE contract includes individuals with mental health conditions as well as those with co-occurring substance use disorder.

### **METHODOLOGY MODIFICATIONS**

The Department makes the assertion that there is no information to report for this section.

### **MATERIAL WEAKNESSES OR OTHER FINDINGS**

The Department makes the assertion that there is no information to report for this section.

### **REPROGRAMMINGS OR TRANSFERS**

The Department makes the assertion that there is no information to report for this section.

### **OTHER DISCLOSURES**

The Department makes the assertion that there is no information to report for this section.



**DEPARTMENT OF LABOR**  
**Employment and Training Administration**

**Resource Summary**

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 Request	FY 2024 Request
<b>Drug Resources by Function</b>			
Prevention	\$6.000	\$6.000	\$6.000
Recovery	TBD	TBD	TBD
<b>Total Drug Resources by Function</b>	<b>\$6.000</b>	<b>\$6.000</b>	<b>\$6.000</b>
<b>Drug Resources by Decision Unit</b>			
Job Corps	\$6.000	\$6.000	\$6.000
<i>Operations</i>	\$6.000	\$6.000	\$6.000
<i>Construction, Rehabilitation, and Acquisition (CRA)</i>	\$0	\$0	\$0
<i>Administration</i>	\$0	\$0	\$0
Training and Employment Services	TBD	TBD	TBD
<i>Adult Employment and Training Activities</i>	\$0	\$0	\$0
<i>Dislocated Worker Employment and Training Activities</i>	TBD	TBD	TBD
<i>Youth Activities</i>	\$0	\$0	\$0
<i>Reintegration of Ex-Offenders</i>	\$0	\$0	\$0
<i>Native Americans</i>	\$0	\$0	\$0
<i>Migrant and Seasonal Farmworkers</i>	\$0	\$0	\$0
<i>H-1B Job Training Grants</i>	\$0	\$0	\$0
<i>Data Quality Initiative</i>	\$0	\$0	\$0
<i>Apprenticeship Grants</i>	\$0	\$0	\$0
<b>Total Drug Resources by Decision Unit</b>	<b>\$6.000</b>	<b>\$6.000</b>	<b>\$6.000</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	---	---	---
<b>Drug Resources as a percent of Budget</b>			
Total Agency Budget (in Billions)	\$9.9	\$11.1	TBD
Drug Resources percentage	0.003	0.002	TBD

**DEPARTMENT OF LABOR**  
**Office of Workers' Compensation Programs**

**Resource Summary**

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 Request	FY 2024 Request
<b>Drug Resources by Function</b>			
Prevention	\$7.769	\$7.769	\$7.769
<b>Total Drug Resources by Function</b>	<b>\$7.769</b>	<b>\$7.769</b>	<b>\$7.769</b>
<b>Drug Resources by Decision Unit</b>			
<i>Federal programs for workers' compensation</i>	\$7.769	\$7.769	\$7.769
<i>American Rescue Plan Act</i>	\$0	\$0	\$0
<b>Total Drug Resources by Decision Unit</b>	<b>\$7.769</b>	<b>\$7.769</b>	<b>\$7.769</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	68	68	68
<b>Drug Resources as a Percent of Budget</b>			
Total Special Benefits Budget (in Billions)	\$0.0748	\$0.0803	\$0.0803
Drug Resources Percentage	10.4%	9.7%	9.7%

**DEPARTMENT OF LABOR**  
**Office of Inspector General**

**Resource Summary**

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 Request	FY 2024 Request
<b>Drug Resources by Function</b>			
Investigations	\$1.800	\$1.800	\$2.000
<b>Total Drug Resources by Function</b>	<b>\$1.800</b>	<b>\$1.800</b>	<b>\$2.000</b>
<b>Drug Resources by Decision Unit</b>			
<i>Program and Trust Funds</i>	\$1.800	\$1.800	\$2.000
<i>OIG American Rescue Plan</i>	\$0	\$0	\$0
<i>CARES Act</i>	\$0	\$0	\$0
<b>Total Drug Resources by Decision Unit</b>	<b>\$1.800</b>	<b>\$1.800</b>	<b>\$2.000</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	9	9	10
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$0.0911	\$0.1082	\$0.1200
Drug Resources Percentage	2.0%	1.7%	1.5%

**DEPARTMENT OF LABOR**  
**Employee Benefits Security Administration**

Resource Summary

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 Request	FY 2024 Request
<b>Drug Resources by Function</b>			
Building a Recovery Ready Nation	\$0	\$0	\$0
<b>Total Drug Resources by Function</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Drug Resources by Decision Unit</b>			
<i>Enforcement and participant assistance</i>	\$0	\$0	\$0
<i>Policy and compliance assistance</i>	\$0	\$0	\$0
<i>Executive leadership, program oversight and administration</i>	\$0	\$0	\$0
<b>Total Drug Resources by Decision Unit</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	0	0	0
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$0.186	\$0.234	\$0.288
Drug Resources Percentage	0%	0%	0%

**DEPARTMENT OF LABOR**  
**Office of Disability Employment Policy**

**Resource Summary**

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 Request	FY 2024 Request
<b>Drug Resources by Function</b>			
Recovery	\$0.800	\$0.800	\$0.800
<b>Total Drug Resources by Function</b>	<b>\$0.800</b>	<b>\$0.800</b>	<b>\$0.800</b>
<b>Drug Resources by Decision Unit</b>			
<i>Office of Disability Employment Policy</i>	\$0.800	\$0.800	\$0.800
<i>Reimbursable program activity</i>	\$0	\$0	\$0
<b>Total Drug Resources by Decision Unit</b>	<b>\$0.800</b>	<b>\$0.800</b>	<b>\$0.800</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	0	0	0
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$0.041	\$0.059	\$0.072
Drug Resources Percentage	1.975%	1.366%	1.118%

# Tab L



**United States Department of State**

*Bureau for International Narcotics and  
Law Enforcement Affairs  
Washington, D.C. 20520*

March 10, 2023

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 Bureau of International Narcotics Control and Law Enforcement (INL) at the U.S. Department of State is submitting its Accounting and Authenticity of FY 2022 Drug Control Funds.

In accordance with the ONDCP circular listed above, all the information presented for State/INL in the attached report is true and correct to the best of my knowledge and I concur with the assertions contained in the report associated with regard to State/INL.

If you would like to address any questions associated with our submission, please contact me directly at [REDACTED]

Sincerely,

*Lesley Ziman*

Lesley C. Ziman  
Executive Director  
Bureau of International Narcotics  
Control and Law Enforcement Affairs  
U.S. Department of State

Attachments

Tab A – FY 2022 INL National Drug Control Program Agency  
Compliance Report

Tab B – Copy of State/INL's FY 2024 Summer Drug Budget  
Submission Transmittal Letter





United States Department of State

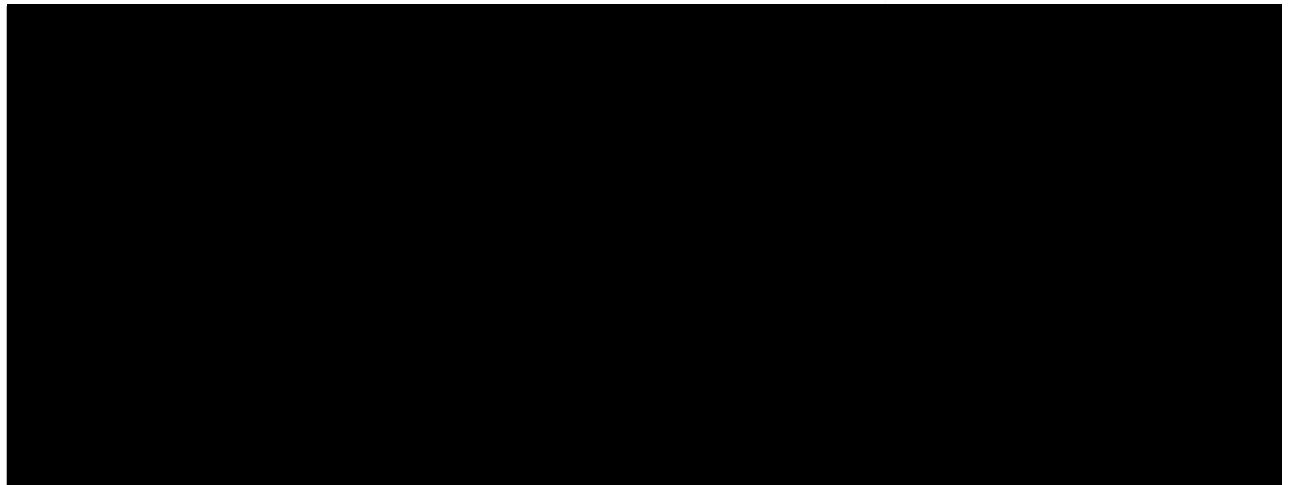
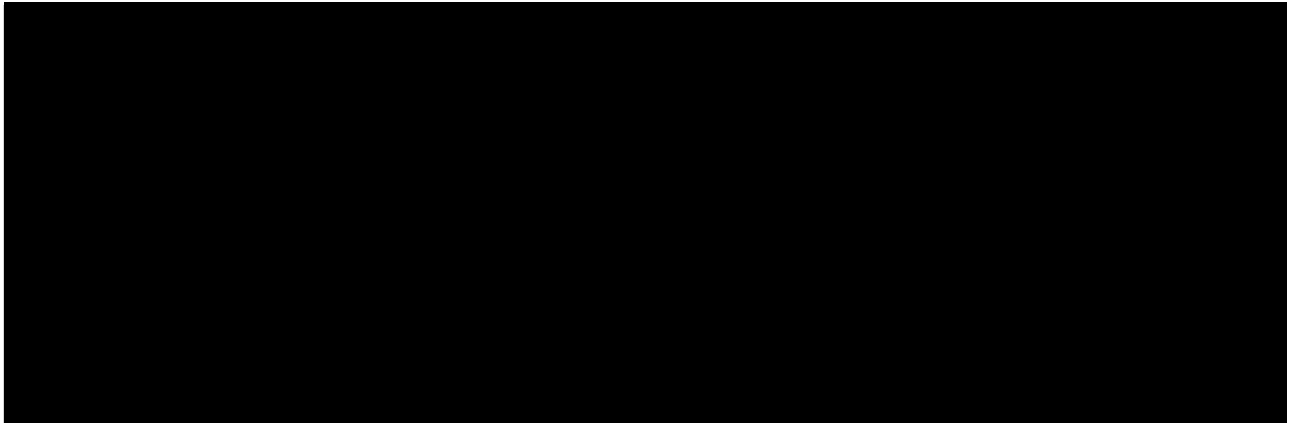
*Bureau of International Narcotics  
and Law Enforcement Affairs*

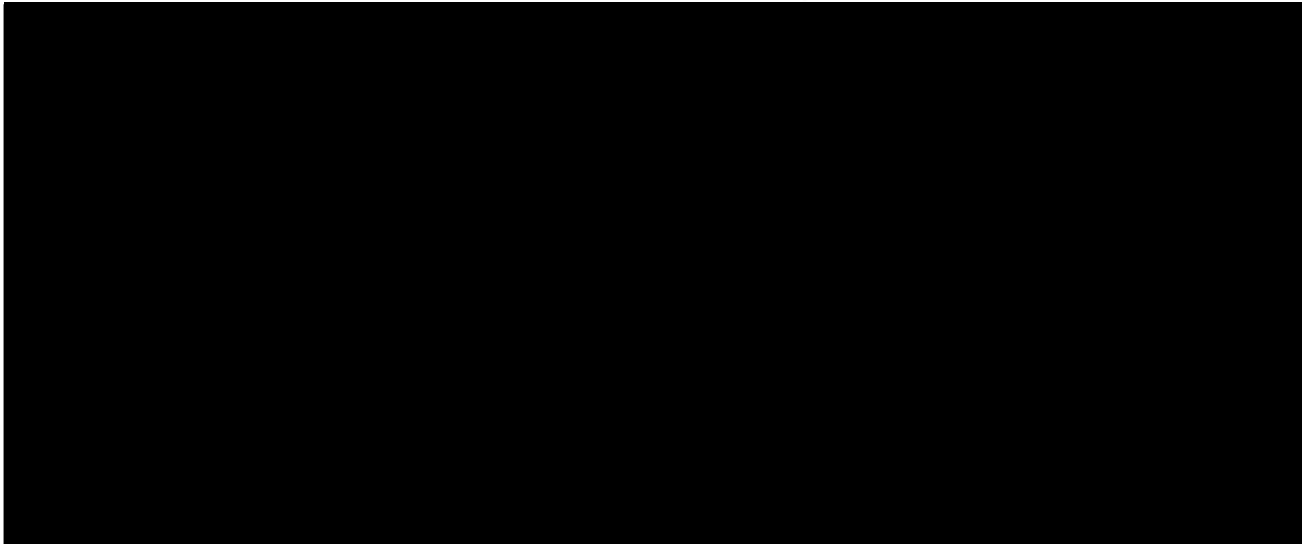
*Washington, D.C. 20520*

**AUG 04 2022**

Dear Director Gupta:

The U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) submits the attached FY 2024 ONDCP Summer Budget Summary, which represents the Bureau's FY 2024 foreign assistance resource request to address counternarcotics efforts around the world. INL's mission is to help keep Americans safe at home by countering transnational crime; the cultivation, production, and trafficking of illicit drugs; and instability abroad. INL helps address these threats by providing assistance to develop and strengthen counternarcotics, law enforcement, and justice institutions globally and the laws that provide the backbone for their work. INL's efforts are directed at reducing the impact of crime and preventing illicit trafficking of drugs, such as cocaine, methamphetamine, heroin, and synthetic opioids – including fentanyl and its analogues – from reaching U.S. shores.





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. Within INL, the Bureau recognizes the importance of promoting equity and inclusion, including for members of marginalized communities, which supports and reinforces this drug control mission. To support this effort, INL issued a front-channel cable last summer to all embassies that receive 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, as well as providing tools and resources to help INL overseas sections integrate these priorities into their programs. Building on this policy effort, in FY 2024, INL is requesting \$1.965 million to help the Bureau develop new cross-cutting tools to help INL programs promote equity and inclusion in foreign criminal justice systems.

With the transmittal of this letter, INL has satisfied all reporting requirements per the criteria listed in 9(a) Summer Drug Budget Submission and Review of ONDCP Circular: Budget Formulation, dated September 9, 2021. We look forward to working with you further on the FY 2024 INCLE counternarcotics budget request.

Sincerely,



James A. Walsh  
Acting Assistant Secretary  
U.S. Department of State  
Bureau of International Narcotics and Law  
Enforcement Affairs

**U.S. Department of State  
Bureau of International Narcotics and Law Enforcement Affairs**

**Accounting and Authentication of FY 2022  
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 2024 Summer Drug Budget Submission transmittal letter submitted to ONDCP per ONDCP Circular: Budget Formulation 9(a)(1) is attached at Tab 3.

**Section 6(a)(2). Summer Drug Budget Resource Summary Table**

Below is the funding table submitted by the Department of State's Office of Foreign Assistance (F) to ONDCP per ONDCP Circular: Budget Formulation 9(a)(2).

<b>Budget Authority (in Millions)</b>		
	<b>FY 2022 Estimate*</b>	<b>FY 2023 Request</b>
<b>Drug Resources by Function</b>		
International	\$356.879	\$374.679
<b>Total Drug Resources by Function</b>	<b>\$356.879</b>	<b>\$374.679</b>
<b>Drug Resources by Decision Unit</b>		
International Narcotics Control and Law Enforcement	\$356.879	\$374.679
<b>Total Drug Resources by Decision Unit</b>	<b>\$356.879</b>	<b>\$374.679</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs	129	110
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions) *	\$38.904	\$42.907
Percentage	0.917%	0.873%

\* Total Agency Budget is the entire foreign assistance budget (both State and USAID).

\*\* Allocations were not yet available for the enacted FY 2022 appropriation. The FY 2022 counternarcotics level is an estimate based on FY 2021 levels (FY 2021 approved Operational Plans) and does not reflect final decisions on funding allocations.

## **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 referenced in section 6(a)(1) to ONDCP on August 4, 2022, under the attached cover letter provided in response to section 9(a)(1) of ONDCP Circular: Budget Formulation. The Summer Drug Budget submission was provided to ONDCP during the timeframe that the budget request was submitted to superiors for review once counternarcotics levels were determined 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 INL 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 (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 during FY 2022 by Drug Control Function and Budget Decision Unit.

### **INL Drug Control Obligations**

	<u>Actual Obligations Occurring During FY 2022</u>
<b>Drug Resources by Drug Control Function *</b>	
International	\$486,492,790
<b>Total</b>	<b>\$486,492,790</b>

## Drug Resources by Decision Unit

INCLE	<u>\$486,492,790</u>
<b>Total</b>	<b>\$486,492,790</b>

### Information

**Total INCLE Budget for Identified Appropriations** **\$3,255,284,106**

\* This figure reflects all obligations of Drug Control funds during FY 2022, regardless of the fiscal year the funds were appropriated.

### Section 7(a)(2). Drug Methodology

The Department and USAID are required to categorize foreign assistance by the Office of Foreign Assistance (F) Standardized Program Structure and Definitions (SPSD) throughout the budget formulation and execution processes. The data is recorded in F's Foreign Assistance Coordination and Tracking System (FACTS Info) Next Generation (NextGen) system. FACTS Info NextGen serves as the central information system for all foreign assistance budgeting, operational planning, and performance management processes overseen by F and stands at the nexus of F and operating units worldwide. It is used to create, store, and analyze budgets, Operational Plans, and performance information for Department and USAID programs, as well as for generating reports for OMB, ONDCP, and Congress. Funds that support drug-related activities are categorized in the F SPSD under the Peace and Security Objective, Counternarcotics Program Area (PS.3). INL calculates the drug control funding levels reported to ONDCP using data from the FACTS Info NextGen system. INCLE funds are obligated using project codes that include strategic goal codes that align to the F SPSD so the accounting system is able to report obligations for drug related activities for ONDCP.

The Department's accounting system of record, Global Business Intelligence (GBI), tracks obligations through a combination of the appropriation point limitation, function code, allotment code, and project code. This arrangement enables the separation of 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 deobligations that occurred in the current year (i.e., FY 2022 for the purposes of this report) that are associated with original obligations that occurred in a prior year (e.g., FY 2021), would result in a negative obligation.

For the drug control obligations report, the *Drug Resources by Control Function* and *Drug Resources by Decision Unit* obligations levels were produced using GBI. The levels reported reflected INCLE program and Program Development and Support (PD&S) funds (account code 1022) that were obligated in FY 2022 for all project codes aligned with drug control activities. PD&S funds support administrative costs for INL programming. The *Total INCLE Budget for Identified Appropriations* amount was also produced using GBI and reflects INCLE funding from all active appropriations for drug control activities during FY 2022.

**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 2022 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 2022, 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 seven reprogramming actions that resulted in a decrease of drug-related budgetary resources during FY 2022 by a total of \$75,552,079 in FY 2017, FY 2018, and FY 2021 INCLE and INCLE-Overseas Contingency Operations (OCO) funds. This decrease is the result of reprogramming actions between the drug-related program area, i.e., Counternarcotics (PS.3) and Citizen Security and Law Enforcement (PS.9), a non-drug-related program area. These reprogramming actions were in response to emergency requirements in Ukraine and the Europe and Eurasia Region as a result of Russia’s invasion, and in Haiti, as a result of the dire threat posed by gang violence that has worsened since the assassination of President Moïse. The Department reprogrammed and renotified over \$200 million in INCLE funds to Ukraine, Eastern Europe, and Haiti during FY 2022 to respond to these crises.

Per ONDCP guidance (21 U.S.C. 1703 (c)(4)(A)), counternarcotics-related reprogramming actions that individually or in aggregate exceed \$5,000,000 or more than 10 percent of the program need to be approved by ONDCP. The instances noted above triggering this requirement during FY 2022 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.



<b>Fiscal Year (FY)</b>	<b>Account</b>	<b>Source Program</b>	<b>Recipient Program</b>	<b>Program Area</b>	<b>Net Change to Drug Funds</b>
FY 2021	INCLE	Afghanistan CNs 22-050, 22-066	Europe & Eurasia Regional, Ukraine	From PS.3 to PS.9	(\$21,200,000)
FY 2021	INCLE	State Western Hemisphere Regional – Central America Regional Security Initiative (CARSI) CN 22-300	Haiti	From PS.3 to PS.9	(\$4,375,000)
FY 2018	INCLE- OCO	Afghanistan CNs 22-050, 22-076	Ukraine	From PS.3 to PS.9	(\$24,051,922)
FY 2017	INCLE- OCO	Afghanistan CNs 22-076, 22-299	Ukraine	From PS.3 to PS.9	(\$14,712,080)
FY 2017	INCLE- OCO	Pakistan CN 22-076	Ukraine	From PS.3 to PS.9	(\$3,500,000)
FY 2017	INCLE	Mexico CN 22-299	Ukraine	From PS.3 to PS.9	(\$6,320,846)
FY 2017	INCLE	CARSI CN 22-299	Ukraine	From PS.3 to PS.9	(\$1,392,231)
<b>Net Counternarcotics Change</b>					<b>(\$75,552,079)</b>

### **Section 7(a)(6). Other Disclosures**

No other disclosures.

### **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 Department'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 2022.

#### **Equity**

In observance of Executive Order 13985 issued in January 2021, 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. In June 2021, 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.

[REDACTED]



February 1st, 2023

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 (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 2024 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 September 12, 2022.

Please reach out if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Roman Napoli". The signature is fluid and cursive, with the first name "Roman" and last name "Napoli" clearly distinguishable.

Roman Napoli

Director, Office of Budget and Resource  
Management  
U.S. Agency for International Development

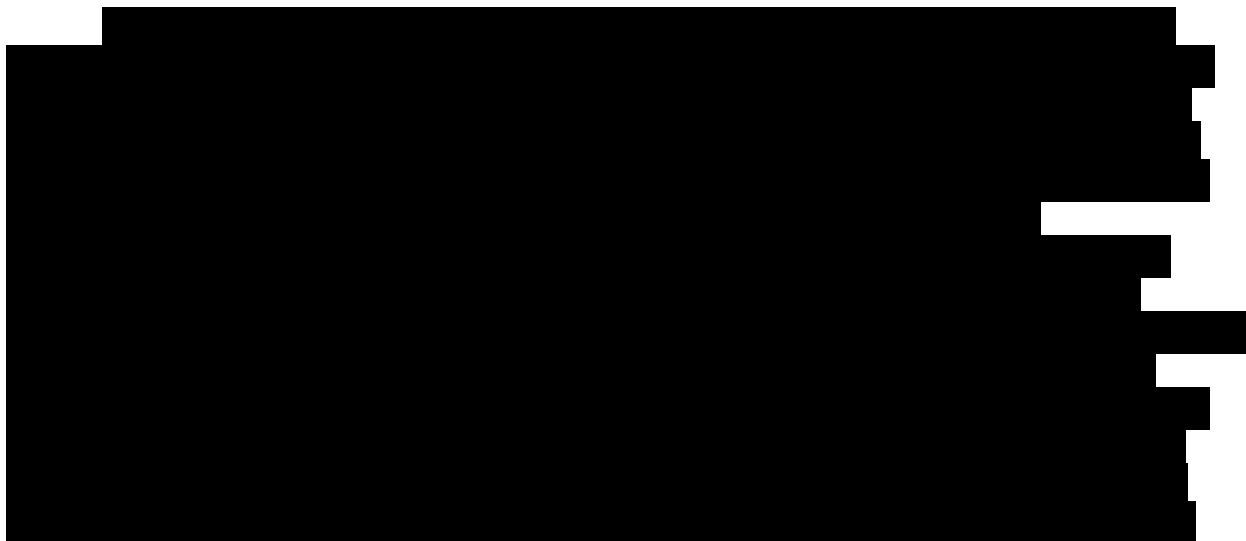
Enclosures:

- 1) USAID FY 2024 ONDCP Summer Transmittal Letter
- 2) USAID FY 2024 ONDCP Budget and Performance Summary





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 2024 ONDCP Budget and Performance Summary, which represents the Agency's FY 2024 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.







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 2024 Drug Control budget request and please reach out if you have any questions.

Sincerely,

Roman Napoli /s/  
Director, Budget and Resource Management  
U.S. Agency for International Development

**DEPARTMENT OF STATE**  
United States Agency for International Development

**Resource Summary**

<b>Budget Authority (in Thousands)</b>		
	<b>FY 2022 Estimate**</b>	<b>FY 2023 Request</b>
<b>Drug Resources by Function</b>		
International	\$49.848	\$52.806
<b>Total Drug Resources by Function</b>	<b>\$49.848</b>	<b>\$52.806</b>
<b>Drug Resources by Decision Unit</b>		
Development Assistance	\$15.000	\$16.000
Economic Support Fund	\$34.848	\$36.806
<b>Total Drug Resources by Decision Unit</b>	<b>\$49.848</b>	<b>\$52.806</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	15	15
Andean Region (Total)		
Peru	4	4
Colombia	11	11
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)*	\$26.6	\$29.4
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 2022 level is an estimate based on FY 2021 levels that does not reflect decisions on funding priorities. Allocations are not yet available for the enacted FY 2022 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, environmental conservation, 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, sustainable 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 efforts help to catalyze economic growth and job creation in post-eradication zones while also providing support to incentivize and facilitate 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

[REDACTED]

## **Economic Support Fund (ESF) and Development Assistance (DA) – Andean Region**

### **Colombia**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]







**USAID**  
FROM THE AMERICAN PEOPLE

*Chief Financial Officer*

January 23, 2023

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 fiscal year (FY) 2022 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 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 [REDACTED]

Sincerely,

**Reginald  
W. Mitchell**

Digitally signed by  
Reginald W. Mitchell  
Date: 2023.01.23  
10:36:11 -05'00'

Reginald W. Mitchell

Enclosures:

- 1) Accounting and Authentication of Drug Control Funds for FY2022
- 2) Memorandum from the USAID Office of Inspector General
- 3) FY2022 Independent Auditor's report
- 4) Management Comments (Appendix C, Financial Section, USAID FY 2022 Agency Financial Report)

U.S. Agency for International Development  
1300 Pennsylvania Avenue, NW  
Washington, DC 20523  
[www.usaid.gov](http://www.usaid.gov)

**U.S. Agency for International Development  
Accounting and Authentication of  
Drug Control Funds for 2022**

*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 2022 by Decision Unit and by Drug Control Function.

FY 2022 U.S. Agency for International Development  
Drug Control Obligations

		\$ In Millions FY 2022 Actual
<b>A. Drug Resources by Decision Unit</b>		
Alternative Development and Alternative Livelihoods-Andean Region		<u>72.02</u>
	Total	<u><u>72.02</u></u>
<b>B. Drug Resources by Drug Control Function</b>		
International		<u>72.02</u>
	Total	<u><u>72.02</u></u>
Total Agency Budget**		32,041
Drug Related Percentage***		0.22%

\*\* USAID 2022 Agency-wide Appropriations per 2022 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 2022, 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 2022 USAID did not make any obligations from funds appropriated in FY 2022.

### **7. a. (3) Methodology Modifications**

The drug methodology for 2022 has not been modified from the previous year, 2021.

### **7. a. (4) Material Weaknesses or Other Findings**

In the FY 2022 Independent Auditor's report, the auditors identified no material weaknesses; however, two significant deficiencies were identified in USAID's internal control over financial reporting related to calculating and recording accrued expenses and security management report (Enclosure 3). For each significant deficiency, corrective actions are currently underway as identified in Management Comments (Enclosure 4). USAID made an unmodified Statement of Assurance under the Federal Managers' Financial Integrity Act (FMFIA) and assured compliance with the Federal Financial Management Improvement Act (FFMIA). Moreover, the independent auditor found no reportable instances of noncompliance with laws and regulations during FY 2022.

### **7. a. (5) Reprogrammings or Transfers**

For Peru, there was a Bilateral Budget Realignment Action in the amount of \$115,840 from PO.1.1 Program Design and Learning to PS 3.2 Alternative Development and Alternative Livelihoods. The aim was to return excess PDO balances (PD&L, A&O and Evaluation funds) to their original Program Areas, and these funding changes did not constitute a change in the scope of the Bilateral Agreements.

### **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 2022 financial audit report, USAID's independent auditors identified no material weaknesses; however, two significant deficiencies were identified in USAID's internal control over financial reporting related to calculating and recording accrued expenses and security management.

### **7. b. (5) Methodology Modifications**

The drug methodology for 2022 has not been modified from the previous year, 2021.

### **7. b. (6) Reprogrammings or Transfers**

The data presented in Table above are associated with 2022 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 FY2021 Operational Plan and Peru FY2021 Operational Plan. USAID Drug Related activities in that plan are identified as part of the Category "Peace and Security," PS.3.2- "Alternative Development and Alternative Livelihoods." Funds in

Program Area PS.3 – “Counter-Narcotics” 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 2022.

**8. Inspector General Authentication**

See Memorandum from the USAID Office of Inspector General, attached.



## OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

### MEMORANDUM

**DATE:** December 20, 2022

**TO:** USAID, Chief Financial Officer, Reginald W. Mitchell

**FROM:** Deputy Assistant Inspector General for Audit, Alvin Brown /s/

**SUBJECT:** Status of the Review of USAID's Drug Control Program Budget and Accounting for Fiscal Year 2022

Consistent with the requirements of 21 U.S.C. § 1704(d)(1) and ONDCP Circular: "National Drug Control Program Agency Compliance Reviews" dated September 9, 2021, 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.

USAID's Office of Inspector General (OIG) issued the prior ONDCP report on February 1, 2022, covering USAID's drug control program budget and accounting for the year ended September 30, 2021. Accordingly, we determined not to conduct a review for the year ended September 30, 2022.

If you have any questions concerning this letter, please contact Damian Wilson, Director, Financial Audits Division, at [REDACTED]



# Tab M

**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

BFCR, Part B: Assertions

1. Timeliness of Summer Budget Submission
2. Funding Levels Represent Bureau-Level Request

**From:** [Wald, Karla \(OST\)](#)  
**To:** [Swink, Nick T. EOP/ONDCP \(Intern\)](#)  
**Cc:** [Johnston, Steve R. EOP/ONDCP](#); [Ziff, Laura \(OST\)](#); [Mccartney, Erin \(OST\)](#); [Chao, Robert \(OST\)](#); [Stanley, Melissa \(OST\)](#); [Larvo, Jill \(OST\)](#); [Ruane, Diana \(OST\)](#)  
**Subject:** RE: USDOT/FAA FY 2024 ONDCP Summer Budget Submission  
**Date:** Thursday, June 30, 2022 1:09:00 PM  
**Attachments:** [NHTSA FY 2024 Summer Drug Budget - Final.pdf](#)

---

[NHTSA FY 2024 Summer Drug Budget - Final.docx](#)

Hi Nick –

Attached is the National Highway Traffic Safety Administration's FY 2024 ONDCP Summer Budget submission for the U.S. Department of Transportation. For your convenience, I have also included the Word version with this submission.

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  
Cell: 202.236.2261  
Email: [karla.wald@dot.gov](mailto:karla.wald@dot.gov)

## Resource Summary Table

Highway Safety Research and Development Account	Budget Authority (in Millions)	
	FY 2022 Enacted	FY 2023 President's Budget
<b>Drug Resources by Function</b>		
Prevention	\$18.000	\$15.700
Research & Development	\$10.775	\$1.900
Emergency Medical Services	\$0.500	\$0.500
<b>Total Drug Resources by Function</b>	<b>\$29.275</b>	<b>\$18.100</b>
<b>Drug Resources by Decision Unit</b>		
Drug-Impaired Driving Program	\$6.100	\$2.000
Highway Safety Research	\$10.775	\$2.900
Emergency Medical Services	\$0.500	\$0.500
Communications and Consumer Information	\$11.900	\$12.700
<b>Total Drug Resources by Decision Unit</b>	<b>\$29.275</b>	<b>\$18.100</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	3	3
<b>Drug Resources as a percent of Budget</b>		
Total Agency Budget (in Billions)	\$0.90	\$0.90
Drug Resources percentage	0.30%	0.30%

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) 2022 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 30, 2022, was provided to ONDCP at the same time as that budget request was submitted to the Department in accordance with 21 U.S.C. § 1703(c)(1)(A). 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 2024.

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,

RACHEL ANNE MILBERG  Digitally signed by  
RACHEL ANNE MILBERG  
Date: 2022.12.15 19:34:57  
-05'00'

Rachel Milberg  
Chief Financial Officer  
NHTSA

Enclosures

# DEPARTMENT OF TRANSPORTATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

NATIONAL DRUG CONTROL

FY 2022 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 2022 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	US Bank Card Services	International Council on Alcohol, Drugs, and Traffic Safety	80162225HS.2022.200000000.NPD0010000	9,980.63
	Dunlap and Associates Inc	Drug and Alcohol Prevalence in Road Users in Serious and Fatal Crashes	80162122HS.2022.2002000100.NPD0300000	91,293.54
	University of Massachusetts	Toxicology Consultant Services II	80162225HS.2022.2002000100.NPD0300000	204,736.36
	Department of Justice, Office of Justice Programs, National Institute of Justice	Support for Research on Forensic Toxicological Laboratory Testing and Reporting Practices	06502122ID.2022.200201000A.NPD0110000	500,000.00
	Dunlap and Associates Inc*	National Roadside Survey	80162122HS.2022.2002000100.NPD0300000	843,384.89
			80162225HS.2022.2002000100.NPD0300000	2,046,100.70
			06502122ID.2022.200201000A.NPD0110000	962,291.34
	<b>Total Research</b>			
Drug-Impaired Driving Program	International Association of Chiefs of Police	Technical Support for Annual Drug, Alcohol, and Impaired Driving Conference	06702225BR.2022.2002070000.NPD0220000	10,000.00
		Development, Delivery and Support of the Drug Evaluation and Classification Program	80162225HS.2022.2002070000.NPD0220000	60,000.00
			80162225HS.2022.2002070000.NPD0220000	916,092.19
		Drug Evaluation and Classification Program	80162225HS.2022.2002080000.NPD0220000	60,590.00
		Drug Impaired Driving	80162225HS.2022.2002080000.NPD0220000	136,323.35
	National Association of Drug Court Professionals	DWI Court Training and Technical Assistance	80162225HS.2022.2002010000.NPD0110000	769,402.00
	The Council of State Governments	Support for Probation Services for DWI Offenders	80162225HS.2022.2002010000.NPD0110000	135,056.00
	Society of Forensic Toxicologists Inc	Regional Toxicology Liaison Program	06502122ID.2022.200201000A.NPD0110000	492,480.00
	Spatial Front Incorporated	DRE Data & Web API	80162225HS.2022.2002070000.NIO0200000	279,824.80
		Web API DRE CTD JIRA	80162225HS.2022.200	929,126.00

		O&M and DME Support	2070000.NIO0200000	
	N/A	TDY Travel	80162225HS.2022.200 2070000.NPD0220000	\$13,424.73
	DOT OST-R TSI	Training Courses 1 Year	80162225HS.2022.200 2070000.NPD0220000	54,963.00
	DOT OST-R TSI	Training Courses 2 Year	80162225HS.2022.200 2070000.NPD0220000	668.00
	National Judicial College*	Judicial Education	80162225HS.2022.200 2010000.NPD0110000	105,300.50
	American Bar Association*	Judicial Outreach Liaison and Fellows Program	80162225HS.2022.200 2010000.NPD0110000	1,075,817.50
	National District Attorneys Association*	Prosecutor Resources	80162225HS.2022.200 2010000.NPD0110000	53,470.50
			80202225PS.2022.200 2010000.NPD0110000	250,000.00
	TTW Solutions Inc*	TRIPRS Operations and Maintenance	06502122ID.2022.200 201000A.NPD0110000	33,899.46
	National Association of Prosecutor Coordinators*	Prosecutor Support for Impaired Driving	06502122ID.2022.2002 01000A.NPD0110000	124,075.00
<b>Total Program</b>				<b>\$5,487,088.30</b>
<b>Emergency Medical Services</b>	University of Utah	National Emergency Medical Services Information System (NEMSIS) Technical Assistance Center	80162225HS.2022.200 2110000.NPD.400000	500,000.00
<b>Total EMS</b>				<b>\$500,000.00</b>
<b>Comms</b>	Advertising Council Inc	Drugged Impaired Driving Social Norming Campaign	80162225HS.2022.200 2010000.NCO0010000	800,000.00
			80162225HS.2022.520 5750000.NCO0010000	1,835.00
			80162225HS.2022.200 2010000.NCO0010000	299,473.00
	Stratacomm	National Communications, Marketing, and Media Support (Drug-Impaired Campaign Initiatives)	8020225HV.2022.2402 090000.NCO0010000	9,240,000.00
			06502122ID.2022.2020 1000A.NCO0010000	1,125,000.00
			80162225HS.2022.520 5750000.NCO0010000	70,000.00
<b>Total Communications</b>				<b>\$11,536,308.00</b>
<b>Total Obligations</b>				<b>\$22,181,183.76</b>

\*The reported amount is 50% of the total FY 2022 obligation because the impaired driving project addressed alcohol and/or other drugs.

## **1. 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.

## **2. 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. Additionally, as asterisked in the table above, NHTSA is reporting 50% of the FY 2022 obligation for the National Roadside Survey and select projects that addressed driving while impaired by alcohol and/or other drugs.

## **3. Material Weaknesses or Other Findings: None**

## **4. Reprogrammings or Transfers: None**

## **5. 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) 2022 **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 2022) 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. NHTSA reported 50% of the FY 2022 obligation for the National Roadside Survey and select projects that addressed driving while impaired by alcohol and/or other drugs.

**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,

RACHEL ANNE MILBERG  Digitally signed by  
RACHEL ANNE MILBERG  
Date: 2022.12.15  
19:46:36 -05'00'

Rachel Milberg  
Chief Financial Officer  
NHTSA

Enclosures



# DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION  
NATIONAL DRUG CONTROL  
FY 2022 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 2024 Summer Drug Budget Transmittal Letter submitted to ONDCP
2. Copy of the FY 2024 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)

# BFCR, Part A1: FY 2024 Summer Drug Budget Transmittal Letter



## Federal Aviation Administration

June 24, 2022

The Honorable Rahul Gupta  
Director  
Office of National Drug Control Policy  
The White House  
1600 Pennsylvania Ave., NW  
Washington, DC 20500

Dear Director Gupta:

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 2024 Summer Drug Budget submission.

[Redacted]

[Redacted]

We will continue to update you as we refine the budget and FAA's contribution to the drug abatement program for FY 2024. If you should have any questions please do not hesitate to reach out to our point of contact, Peter Toman ([Redacted]).

Sincerely,

ALLISON W  
RITMAN

Digitally signed by ALLISON W  
RITMAN  
Date: 2022.06.24 15:27:24  
-04'00'

Allison Ritman  
Acting Chief Financial Officer, FAA

# BFCR, Part A2: FY 2024 Summer Drug Budget Resource Summary Table

**DRUG CONTROL BUDGET RESOURCE SUMMARY TABLE**  
**DEPARTMENT OF TRANSPORTATION**  
**FEDERAL AVIATION ADMINISTRATION**  
(Dollars in Millions)

	FY 2022 Enacted	FY 2023 PB
<b>Drug Resources by Budget Decision Unit and Function:</b>		
<b>Decision Unit: Aviation Safety/Aerospace Medicine</b>		
Intelligence Interdiction	\$0.000	\$0.000
International	\$0.000	\$0.000
Investigations	\$1.490	\$1.535
Prevention	\$17.240	\$17.760
<i>Industry</i>	\$12.150	\$12.510
<i>Internal</i>	\$5.090	\$5.250
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
<b>Total, Aviation Safety/Aerospace Medicine</b>	<b>\$18.730</b>	<b>\$19.295</b>
<b>Decision Unit: Security and Hazardous Material Safety</b>		
Intelligence Interdiction	\$2.253	\$2.540
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	\$2.253	\$2.540
Treatment	\$0.000	\$0.000
<b>Total, Security and Hazardous Material Safety</b>	<b>\$4.505</b>	<b>\$5.080</b>
<b>Drug Resources by Function:</b>		
Intelligence Interdiction	\$2.253	\$2.540
International	\$0.000	\$0.000
Investigations	\$1.490	\$1.535
Prevention	\$17.240	\$17.760
Prosecution	\$0.000	\$0.000
Recovery	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$2.253	\$2.540
Treatment	\$0.000	\$0.000
<b>Total Funding</b>	<b>\$23.235</b>	<b>\$24.375</b>
<b>Drug Resources Personnel Summary</b>		
Aviation Safety/Aerospace Medicine	93	94
Security & Hazardous Materials	23	25
<b>Total FTEs (direct only)</b>	<b>116</b>	<b>119</b>
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget	\$ 18,460	\$ 18,559
Drug Resources Percentage	0.13%	0.13%



# Federal Aviation Administration

January 3, 2023

The Honorable Rahul Gupta  
Director  
Office of National Drug Control Policy  
The White House  
1600 Pennsylvania Ave., NW  
Washington, DC 20500

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 2022 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 for the Summer FY 2024 submission. The table only includes the drug budget request from the Department of Transportation since a formal President's Budget had not been approved for FY 2024.

## **Assertions**

### **1. Timeliness of budget submission.**

The FAA's summer drug budget was provided to ONDCP concurrent with our FY 2024 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.

FY 2024 funding levels for the President's Budget have not been established. A formal President's Budget for FY 2024 has not been approved so the table included in this report only includes the Department of Transportation's budget request for FY 2024.

**3. 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 [REDACTED], if further assistance is required.

Sincerely,

David Rickard  
Chief Financial Officer  
Federal Aviation Administration



# DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION  
NATIONAL DRUG CONTROL  
FY 2022 DETAILED ACCOUNTING REPORT



## Table of Contents

### Detailed Accounting Report (DAR) Table of Contents

#### DAR, Part A: Drug Control Funding Obligations

1. Table of Prior Year Drug Control Obligations
2. Aviation Safety/Office of Aerospace Medicine (AVS/AAM) Report
  - a. Drug Methodology
  - b. Methodology Modifications
  - c. Material Weaknesses or Other Findings
  - d. Reprogrammings or Transfers
  - e. Other Disclosures
3. Security and Hazardous Materials Safety (ASH) Report
  - a. Drug Methodology
  - b. Methodology Modifications
  - c. Material Weaknesses or Other Findings
  - d. Reprogrammings or Transfers
  - e. Other Disclosures

#### 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)**

	<b>FY 2022 PB</b>	<b>FY 2022 Enacted</b>	<b>FY 2022 Actuals</b>
<b>Drug Resources by Budget Decision Unit and Function:</b>			
<b>Decision Unit: Aviation Safety/Aerospace Medicine</b>			
Intelligence Interdiction	\$0.000	\$0.000	\$0.000
International	\$0.000	\$0.000	\$0.000
Investigations	\$1.490	\$1.490	\$1.343
Prevention	\$17.240	\$17.240	\$16.439
<i>Industry</i>	\$12.150	\$12.150	\$11.132
<i>Internal</i>	\$5.090	\$5.090	\$5.307
Prosecution	\$0.000	\$0.000	\$0.000
Recovery	\$0.000	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000	\$0.000
State & Local Assistance	\$0.000	\$0.000	\$0.000
Treatment	\$0.000	\$0.000	\$0.000
<b>Total, Aviation Safety/Aerospace Medicine</b>	<b>\$18.730</b>	<b>\$18.730</b>	<b>\$17.782</b>
<b>Decision Unit: Security and Hazardous Material Safety</b>			
Intelligence Interdiction	\$2.253	\$2.253	\$2.200
International	\$0.000	\$0.000	\$0.000
Investigations	\$0.000	\$0.000	\$0.000
Prevention	\$0.000	\$0.000	\$0.000
Prosecution	\$0.000	\$0.000	\$0.000
Recovery	\$0.000	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000	\$0.000
State & Local Assistance	\$2.253	\$2.253	\$2.200
Treatment	\$0.000	\$0.000	\$0.000
<b>Total, Security and Hazardous Material Safety</b>	<b>\$4.505</b>	<b>\$4.505</b>	<b>\$4.400</b>
<b>Drug Resources by Function:</b>			
Intelligence Interdiction	\$2.253	\$2.253	\$2.200
International	\$0.000	\$0.000	\$0.000
Investigations	\$1.490	\$1.490	\$1.343
Prevention	\$17.240	\$17.240	\$16.439
Prosecution	\$0.000	\$0.000	\$0.000
Recovery	\$0.000	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000	\$0.000
State & Local Assistance	\$2.253	\$2.253	\$2.200
Treatment	\$0.000	\$0.000	\$0.000
<b>Total Funding</b>	<b>\$23.235</b>	<b>\$23.235</b>	<b>\$22.182</b>
<b>Drug Resources Personnel Summary</b>			
Aviation Safety/Aerospace Medicine	93	93	86
Security & Hazardous Materials	23	23	23
<b>Total FTEs (direct only)</b>	<b>116</b>	<b>116</b>	<b>109</b>
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget	\$ 18,452	\$ 18,460	\$ 18,460
Drug Resources Percentage	0.13%	0.13%	0.12%

## 2. Aviation Safety/Office of Aerospace Medicine (AVS/AAM) Report

### (a) Drug Control Methodology:

The FAA has written procedures to identify its 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 the 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 2022. The report was run for FY 2022 obligations as of the end of September 30, 2022. The following parameters were used, as well as several additional columns that provided more information (e.g., organization, etc.):

- Fund: 1230100220 (the FY 2022 fund code)
- Allotment Fund Code (AFC): 24 (AAM's AFC)
- Major Object Class: All
- Internal Substance Abuse:
  - Cost Center B310, B323, and B330
  - BLI 483000
- Industry Substance Abuse:
  - Cost Center B390, B391, B392, and B393
  - BLI 484000
- Investigations:
  - Cost Center B394
  - BLI 484000

Staffing FTE numbers are actual as of PP2022-21. This is the last full pay period in FY2022, 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 set up by the FAA's Human Resources Office.

AAM does not use the 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 2022. The following parameters were used, as well as several additional columns that provided more information (e.g., organization, etc.):

- Fiscal Year 2022; Fund: 1220100210 (FY 2021 fund code) & 1230100220 (FY22 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 2022, 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.



# Federal Aviation Administration

January 3, 2023

The Honorable Rahul Gupta  
Director  
Office of National Drug Control Policy  
The White House  
1600 Pennsylvania Ave., NW  
Washington, DC 20500

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 2022 Detailed Accounting Report is enclosed. FAA'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. 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.

## Assertions

### **1. Obligations by budget decision unit.**

Obligations reported by AVS and ASH are the actual obligations derived from the FAA's accounting system of record or are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7.

### **2. Drug methodology data and financial systems.**

The methodology is based on reliable data with a methodology that describes the relationship of decision units reported to ONDCP and the programs/activities as reported in the financial system.

**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 [REDACTED] if further assistance is required.

Sincerely,

**DAVID  
RICKARD**

Digitally signed by DAVID  
RICKARD  
Date: 2023.01.12 16:40:59  
-05'00'

David Rickard  
Chief Financial Officer  
Federal Aviation Administration

# Tab N



**DEPARTMENT OF THE TREASURY**  
Internal Revenue Service

February 1, 2023

MEMORANDUM FOR JON RICE

ASSISTANT DIRECTOR FOR PERFORMANCE AND BUDGET  
OFFICE OF NATIONAL DRUG CONTROL POLICY

FROM:

Todd Egaas **Todd O. Egaas**  
IRS Associate Chief Financial Officer for Corporate Budget

Digitally signed by Todd O. Egaas  
Date: 2023.01.23 14:56:00 -05'00'

SUBJECT:

National Drug Control Program Agency Compliance Reviews for  
FY 2024

This memorandum provides the FY 2024 Budget Formulation Compliance, and Detailed Accounting Reports, which were requested in the ONDCP Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021. The Budget Formulation Compliance Report includes (a) FY 2024 summer budget formulation information and (b) assertions by the CFO or accountable senior executive relating to the summer budget formulation information. The Detailed Accounting Report includes (a) the drug control funding obligations and (b) assertions by the CFO or accountable senior executive relating to the data and information presented on prior year obligations.

If you have any questions, please contact please contact Jeramie Ashton, Director, Budget Formulation, at (202)317-4180.

**INTERNAL REVENUE SERVICE**  
**National Drug Control Program Agency Compliance Review**

**FY 2024 Summer Drug Budget Transmittal**

On June 14, 2022 the summer budget was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(1).

**FY 2024 Summer Drug Budget Resource Summary Table**

Below is a copy of the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2)

**Resource Summary**

	Budget Authority (in Millions)	
	FY 2022 Enacted	FY 2023 Proposed Request
<b>Drug Resources by Function</b>		
Investigations	\$60.257	\$60.257
<b>Total Drug Resources by Function</b>		
<b>Drug Resources by Decision Unit</b>		
Criminal Investigation	\$60.257	\$60.257
<b>Total Drug Resources by Decision Unit</b>		
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	295	295
<b>Drug Resources as a Percent of Budget</b>		
Total Bureau Budget (in Billions)	\$12.0	\$14.1
Drug Resources Percentage	0.50%	0.43%

**Assertions:**

- The agency provided the FY 2024 Summer Drug Budget Transmittal email and FY 2024 Summer Budget Resource Summary Table to ONDCP on June 14, 2022, 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 2024 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 Attachment A.

- The funding request in the submission provided in Section 6.a.(2) of this circular 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.

**INTERNAL REVENUE SERVICE  
DETAILED ACCOUNTING REPORT**

**a. FY 2022 Drug Control Funding Obligations**

**(1) Table of Prior Year Drug Control Obligations**

<b>Narcotics</b>	
<b>Drug Resources by Decision Unit</b>	
Narcotics Crimes	<u>\$78,250,154</u>
<b>Total</b>	<b>\$78,250,154</b>
<b>Drug Resources by Control Function</b>	
Investigations	<u>\$78,250,154</u>
<b>Total</b>	<b>\$78,250,154</b>

**(2) Drug Methodology**

- a) All Drug Control Obligations (the resources appropriated and available for these activities) are reported under one Decision Unit and one Control Function, as shown in the above chart.
- b) The Internal Revenue Service (IRS) Drug Control Budget encompasses the Criminal Investigation's (CI) Narcotics Program<sup>1</sup>. CI's overall Direct Investigative Time (DIT) applied to narcotics investigations for FY 2022 was 11.6 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.

<sup>1</sup> The IRS-CI Narcotics Program consist of five sub-programs that includes: 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.

### **(3) Methodology Modifications**

No changes or modifications in the DIT computation methodology from the prior year were made.

### **(4) Material Weaknesses or Other Findings**

None

### **(5) Reprogramming or Transfers**

None

### **(6) 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 current methodology used to calculate obligations of prior-year budgetary resources has not changed. There was no impact in the methodology in FY 2022 since the methodology in FY 2021 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 2022 in the CI Appropriated Enforcement Budget (excluding reimbursables 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 7a (2) of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews. Calculations made using this methodology are sufficiently documented to independently reproduce all data and ensure consistency between reporting years.

**(4) Material Weakness or Other Findings**

None

**(5) Methodology Modifications**

None

**(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.

**Financial Crimes Enforcement Network (FinCEN)**  
**Budget Formulation Compliance Report**  
**Management's Assertion Statement**  
**For Fiscal Year Ended September 30, 2022**

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 7, 2022 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 represents the funding levels in the budget submission made by FinCEN without alteration or adjustment by any official at FinCEN.

**Peter D.  
Bergstrom**

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Peter Bergstrom, Chief Financial Officer  
Financial Crimes Enforcement Network

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Date

Department of the Treasury – Financial Crimes Enforcement Network

	Budget Authority (in millions)	
	FY 2022 Current	FY 2023 PB
<b>Drug Resources by Function</b>		
Investigations	\$2.12	\$ 2.20
<b>Total Drug Resources by Function</b>	<b>\$2.12</b>	<b>\$ 2.20</b>
<b>Drug Resources by Decision Unit</b>		
Salaries and Expenses	\$2.12	\$ 2.20
<b>Total Drug Resources by Decision Unit</b>	<b>\$2.12</b>	<b>\$ 2.20</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	12	12
<b>Drug Resources as a Percent of Budget</b>		
Total Agency Budget (in Billions)	\$161.0M	\$210.3M
Drug Resources Percentage	1.32%	1.05%



**Financial Crimes Enforcement Network (FinCEN)**  
**Detailed Accounting Report**  
**Management's Assertion Statement**  
**For Fiscal Year Ended September 30, 2022**

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 2022.
6. FinCEN did not have any ONDCP Fund Control Notices issued in FY 2022.
7. Compliance with the Inspector General Authentication requirements of Section 8 of this Circular would constitute an unreasonable reporting burden.

**Peter D.**  
**Bergstrom**

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Date: 2023.01.30  
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Peter Bergstrom, Chief Financial Officer  
Financial Crimes Enforcement Network

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Date

**Financial Crimes Enforcement Network (FinCEN)  
Detailed Accounting Submission  
Drug Control Funding Obligations  
For Fiscal Year Ended September 30, 2022  
(Dollars in Millions)**

	<b>FY 2022 Actual Obligations</b>
<b>Drug Obligations by Budget Decision Unit and Function:</b>	
<b>Decision Unit: Investigations</b>	
Salaries and Expenses	\$ <u>0.91</u>
<b>Total Investigations</b>	<b>\$ <u><u>0.91</u></u></b>
<b>Total Drug Control Obligations</b>	<b>\$ <u>0.91</u></b>

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  
WASHINGTON, D.C.

March 3, 2023

**MEMORANDUM FOR REGINA M. LABELLE, ACTING DIRECTOR**

**FROM:** William Sessions, Treasury Departmental Budget Director

William T. Sessions III  
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William T. Sessions III  
Date: 2023.03.03  
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**SUBJECT:** FY 2024 OFAC Budget Formulation Compliance Report and Detailed Accounting Report

This memorandum provides the OFAC FY 2024 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 fall budget formulation transmittal memo and table.

I assert that:

- Treasury's Departmental Offices' bureau budget office provided OFAC's FY 2024 Summer Drug Budget Transmittal Letter and FY 2024 Summer Budget Resource Summary Table to ONDCP on August 5, 2022, 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 2024 Fall Budget Resource Summary Table was submitted to ONDCP on September 27, 2022, and is provided in Attachment A.
- OFAC did not submit its FY 2024 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. Treasury's Departmental Offices' bureau's budget office did not provide ONDCP OFAC's FY 2024 budget request the same day they received it from TFI. However, it was submitted on the day the Departmental Offices budget was settled, of which TFI is a component.
- OFAC's FY 2024 Fall Drug Budget 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.

Additionally, OFAC's Detailed Accounting Report is included in Attachment B.

If you have any questions, please contact me at [William.Sessions@Treasury.gov](mailto:William.Sessions@Treasury.gov), or your staff can contact Starrlese Butcher at [REDACTED]

**ATTACHMENTS**

- A. FY 2024 Fall Budget Resource Summary Table
- B. Detailed Accounting Report



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

**Attachment A: FY 2024 Fall Budget Resource Summary Table**

**DEPARTMENT OF THE TREASURY**  
The Office of Foreign Assets Control

**Resource Summary**

	Budget Authority (in millions)	
	FY 2022 Enacted	FY 2023 President's Budget
<b>Drug Resources by Decision Unit</b>		
Salaries and Expenses	\$0.681	\$0.911
<b>Total Drug Resources by Decision Unit</b>	<b>\$0.681</b>	<b>\$0.911</b>
<b>Drug Resources Personnel Summary</b>		
Total FTEs (direct only)	6	6



**Attachment B: Detailed Accounting Report**

**OFAC Detailed Accounting Report**

**A. Drug Control Funding Obligations**

**1. Prior Year (FY 2022) Drug Control Obligations**

	Budget Amounts (in Millions)		
	FY 2022 Authority	FY 2022 Obligations	Difference
<b>Drug Resources by Decision Unit and Function</b>			
OFAC	\$0.681	\$1.025	(\$0.344)
<b>Total Drug Resources by Decision Unit and Function</b>	<b>\$0.681</b>	<b>\$1.025</b>	<b>(\$0.344)</b>

**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 2022 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 2022 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. Within the past year, 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.

**4. Material Weaknesses or Other Findings**

Treasury is not aware of any material weaknesses or other findings.

**5. Reprogrammings or Transfers**

No official reprogrammings or transfers occurred during FY 2022 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**





Treasury does not have any other disclosures.

## B. Assertions

### 1. **Obligations by Budget Decision Unit**

Treasury 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**

Treasury 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**

Treasury 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**

Treasury asserts that no material weaknesses or other findings have been reported.

### 5. **Methodology Modifications**

Treasury asserts that ONDCP was made aware of the methodology changes during the FY 2023 budget formulation cycle.

### 6. **Reprogrammings or Transfers**

Treasury asserts that no reprogrammings or transfers took place during FY 2022.

### 7. **Fund Control Notices**

Treasury 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**

Treasury will notify ONDCP if Treasury's Inspector General conducts an attestation review.

#### **2. Unreasonable Burden Exception**

Treasury 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 \$1.025 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

**Statement of Disclosures and Assertions for FY 2024 Budget Formulation  
Compliance Report Submitted to Office of National Drug Control Policy (ONDCP)  
for Fiscal Year Ending September 30, 2022**

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

**A. Summer Budget Information**

**1. Summer Budget Transmittal** – Summer drug budget was submitted to ONDCP on July 19, 2022 in accordance with ONDCP Circular, Budget Formulation, Section 9.a (1), dated September 9, 2021.

**2. Resource Summary Table**

	Budget Authority (in Millions)		
	FY 2021 Actual	FY 2022 Enacted	FY 2023 Estimate
<b>Drug Resources by Budget Decision Unit</b>			
Medical Care	\$973.649	\$1,014.132	\$1,055.633
Medical & Prosthetic Research	\$25.418	\$25.000	\$25.000
<b>Total Funding</b>	<b>\$999.067</b>	<b>\$1,039.132</b>	<b>\$1,080.633</b>
<b>Drug Resources by Budget Function <sup>/1</sup></b>			
Treatment	\$973.649	\$1,014.132	\$1,055.633
Research and Development	\$25.418	\$25.000	\$25.000
<b>Total Funding</b>	<b>\$999.067</b>	<b>\$1,039.132</b>	<b>\$1,080.633</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (Medical Care - direct only)	3,098	3,137	3,176
Total FTEs (Research) <sup>/2</sup>	4,135	4,284	4,410
<b>Drug Resources as a Percent of Budget <sup>/3</sup></b>			
Total Agency Budget (in billions)	\$108.9	\$101.8	\$123.6
Drug Resources Percentage	0.9%	1.0%	0.9%

1/ VA does not have a discrete ONDCP appropriation; VA forecasts obligations anticipated to support substance use disorder treatment programs, including opioid use disorder treatment programs, for Veterans.

2/ Research FTE are the total FTE supported by the Medical & Prosthetic Research appropriation and includes FTE supporting substance use/addiction studies.


3/ Agency budget for FY 2021 includes supplemental appropriations provided under P.L. 117-2, American Rescue Plan. Agency budget estimates are not final and subject to change following the budget/appropriation process.

4/ FY 2022-2023 ONDCP estimates are consistent with FY 2023 Detailed Accounting Submission.

**B. Assertions**

1. Timeliness of Summer Budget Submission – VA asserts that the FY 2024 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). VA affirms the accuracy of the summer budget submission contained in the transmittal email to ONDCP.
2. Funding Levels – VA asserts the estimated obligations by Budget Decision Unit and Drug Resources as a Percent of Budget represent the funding levels in the budget submission made to the Department without alteration or adjustment by any official at the Department.

**LAURA  
DUKE**

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Laura Duke  
Chief Financial Officer  
VHA Office of Finance (104)

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Date

**Charles J.  
Stepanek 105156**

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Charles Stepanek  
Director of Budget Services  
Budget Formulation (104F)

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Date



**Statement of Disclosures and Assertions for FY 2022 Drug Control Obligations Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2022**

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 2022 Drug Control Funds

**A. Detailed Accounting Submission**

1. Table of FY 2022 Drug Control Obligations

(In Millions)	
Description	FY 2022 Actual
<b>Drug Resources by Budget Decision Unit:</b>	
Medical Care.....	\$1,166.779
Medical & Prosthetic Research.....	\$27.931
<b>Total.....</b>	<b>\$1,194.710</b>
<b>Drug Resources by Drug Control Function:</b>	
Treatment.....	\$1,166.779
Research & Development.....	\$27.931
<b>Total.....</b>	<b>\$1,194.710</b>

2. Drug Control Methodology

Medical Care: The obligation tables for the FY 2022 Drug Control Obligations (above) and the Resource Summary (page 24) 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 Treatment File (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:

<b>Diagnosis Code</b>	<b>Description (DSM-5 and ICD-10-CM)</b>
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 and Prosthetic Research: The obligation tables for the FY 2022 Drug Control Obligations (above) and the Resource Summary (page 24) showing Medical Research and Prosthetics obligations reflects the budget for addiction research recorded in VA's Research Allocation Forecasting System (RAFT) used for planning and budgeting. Medical and Prosthetic Research budget supports all addiction research, both prevention and treatment, including alcohol and tobacco.

## **MEDICAL CARE**

### **Year in Review**

In FY 2022, 251,752 Veterans who received services within VHA were diagnosed with a drug use disorder. Of these Veterans, VHA provided services by mental health clinicians in various of settings and modalities, including outpatient, clinical video telehealth, or telephone care to nearly 79% (200,032) of Veterans with any diagnosis of a drug use disorder. Among Veterans receiving services for drug use disorders within VHA in FY 2022, approximately 16% (40,185) used amphetamines, around 24% (61,127) used cocaine, around 27% (67,198) used opioids, and around 55% (139,336) used cannabis. (These categories are not mutually exclusive.)

Data for 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 diagnosis served is not believed to be reflective of a change in demand for SUD services (Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic — United States, June 24–30, 2020 | MMWR (cdc.gov)). 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). VA is focusing efforts to return utilization of intensive SUD treatment services to pre-pandemic norms (e.g., reopening residential treatment beds and in-person group therapy). Though fewer patients received intensive SUD treatment services than prior the COVID pandemic, the number of patients who received intensive SUD treatment increased 13% from FY 2021 to FY 2022. Consistent with expansion in use of telehealth since the start of the pandemic, VHA continued to utilize telehealth (telephone only and audio/visual, dependent on Veteran preference and access to technology) 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.

### **Expanding Access to Evidence-Based Treatment**

#### ***VHA SUD Service Care Delivery***

National policy and expectations for managing 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 (in which collaborative (patient and provider) selection of treatment intensity is matched to patient characteristics and informed by data from ongoing monitoring of the patient's condition. 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, all provided across various settings including outpatient, intensive outpatient, residential, and inpatient/hospital. Although the [US Preventive Services Taskforce](#) recommends population-based screening of unhealthy drug use, the [2021 VA/DoD SUD CPGs](#) found there is insufficient evidence to recommend for or against screening for drug use disorders in primary care to facilitate enrollment in treatment. VHA is nevertheless exploring the provision of universal drug screening through primary care, as it already does for alcohol use disorder, in a manner

that balances the need to better identify and engage Veterans in SUD treatment while mitigating the potential burden that such screening would bring to primary care. As an integrated healthcare system, VHA is uniquely situated to address the needs of Veterans diagnosed with a SUD, including providing support 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., those being treated for Hepatitis C or 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. BHIP – CCM is an “evidence-based approach to structuring clinical care to ensure coordinated, patient-centered, and anticipatory care” (available at [https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7992349/pdf/43058\\_2021\\_Article\\_133.pdf](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7992349/pdf/43058_2021_Article_133.pdf)). 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 clinical programming per day and patients attend three or more days per week. At the same time, providers in these outpatient and intensive outpatient SUD treatment settings are expected to collaborate with colleagues in inpatient and residential SUD care settings to coordinate Veterans’ transitions across these levels of SUD care. Such efforts are necessary for helping ensure continuity of SUD care that is consistent with a chronic disease model of care and responsive to changes in Veterans’ clinical status.

Considering the frequent co-occurrence of SUDs with posttraumatic stress disorder (PTSD), VHA also has assigned a SUD specialist to each of its hospital-level PTSD services or teams. The staff person is an integral member of the PTSD clinical services team and works to integrate substance use disorder care with all other aspects of PTSD-related care. Among the specialists’ responsibilities are the identification and treatment of Veterans with co-occurring SUD and PTSD. Specialists also promote preventive services for Veterans with PTSD who are at risk for developing a SUD.

VHA provides two types of 24-hour care to patients with severe or complex 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 (<https://www.asam.org/asam-criteria/about-the-asam-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 2022, 68 Domiciliary SUD programs were in operation with roughly 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 SUD. 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 SUDs as a risk for maintaining permanent housing, promote engagement or re-engagement in SUD specialty care programs, provide evidence-based SUD treatment services such as Contingency Management, and serve as linkages between homeless and specialty SUD treatment when Veterans need more intensive SUD treatment services. In 2022, case management for Supported Services for Veteran Families (SSVF) also was supported and included funding for VA case managers expected to work with SSVF grantees and homeless program staff to engage Veterans experiencing SUD concerns into VA services including but not limited to SUD specialty care or residential services.

The central goal of the HCHV program is to reduce homelessness among Veterans by connecting homeless Veterans with health care and other needed services. This program provides outreach, case management, and HCHV Contract Residential Services (CRS), ensuring that chronically homeless Veterans, especially those with serious mental illness and/or SUD, can be placed in VA or community-based programs that provide quality housing and services that meet their specialized needs.

The GPD program allows VA to award grants to community-based agencies to create transitional housing programs and offer per diem payments. The purpose of the program is to promote the development and provision of supportive housing or related services — to help homeless Veterans achieve residential stability, increase their skill levels or income, and obtain greater self-sufficiency. In addition, GPD-funded projects offer communities a way to help homeless Veterans by providing housing and other services and assisting VAMCs by augmenting or supplementing care.

Through a collaborative program between the U.S. Department of Housing and Urban Development and VA (HUD-VASH), HUD provides eligible homeless Veterans with a Housing Choice rental voucher, and VA provides case management and supportive services so that Veterans can gain housing stability and recover from physical and mental health problems, substance use disorders, and other issues contributing to or resulting from homelessness. HUD-VASH subscribes to the principles of the Housing First model of care. Housing First is an evidence-based practice model that rapidly moves homeless individuals into housing and wraps supportive services around them as needed to help them exit homelessness and achieve housing stability as well as improve their ability and motivation to engage in treatment (available at <https://endhomelessness.org/resource/housing-first/>). The program's goals are to help Veterans and their families gain stable housing while promoting full recovery and independence in their community.

Incarceration as an adult male is the most powerful predictor of homelessness. VA therefore also conducts outreach to justice-involved Veterans 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.

In addition, an Enhanced Use Lease (EUL) program provides a mechanism for a non-VA entity to develop and operate supportive housing for homeless and at-risk Veterans and their families on VA property. VA enters into a long-term ground lease with a private, not-for-profit, or local government entity, which develops, constructs/rehabilitates, finances, operates and maintains the housing. This innovative tool provides Veterans with housing and an expanded range of services that would not otherwise be available on medical center campuses. VA's EUL program and implementation process are aligned with the Housing First philosophy. Since 1991, VA has executed 105 EULs, including 49 operational housing EULs nationwide comprised of more than 3,300 housing units. In addition, VA housing EULs have raised over \$1.5 billion of non-VA funding. These EUL projects provide safe, affordable living arrangements near health care providers, which contribute to positive health care outcomes for Veterans. The EUL program is managed by the Office of Asset Enterprise Management (OAEM). A list of awarded EUL projects, including EUL housing projects, can be found at: <http://www.va.gov/assetmanagement/>.

### **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 increased over the past year with 40,185 Veterans who received care in VHA during 2022 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 has been able to support CM including its associated costs of toxicology surveillance and incentives to strengthen Veterans' recovery behavior. VHA implemented CM in 2011, and through September 2022, VHA has provided CM to over 5,900 Veterans, with 92% of the nearly 77,000 urine samples testing negative for the target drug(s) (e.g., stimulants or cannabis). In January 2023, VHA plans to launch a stimulant safety initiative that focus on expanding access to evidence-based interventions such as CM and Cognitive Behavioral Therapy (CBT) for Veterans with stimulant use disorder. In addition, VA is exploring models for implementing digital therapeutics into the treatment of stimulant use disorder (as well as other SUD care).

### **Opioid Use Disorder**

Slightly more than 67,198 Veterans with an opioid use disorder (OUD) diagnosis were seen in VHA in 2022. 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. In August 2018, VHA launched the Stepped Care for Opioid Use Disorder Train the Trainer (SCOUTT) initiative with the intent of supporting the expansion of M-OUD in level 1 clinics (primary care, general mental health and pain management clinics). Phase One sites in each VISN implemented this expansion during FY 2019. From August 2018 through September 2022 there was a 246% increase in the number of patients receiving buprenorphine in the Phase One level clinics and 209% increase in the number of providers prescribing buprenorphine in these clinics. Further, Veterans are being retained in care with 70% of Veterans retained on buprenorphine for more than 90 days. Phase Two of the SCOUTT initiative was launched in the Fall of 2020 and three regional conferences occurred in April 2021, attracting over 500 participants. Since the launch of Phase Two in October 2020, there has been a 10% increase in the number of patients receiving buprenorphine and a 56% increase in the

number of providers prescribing buprenorphine. Further, the infrastructure developed to support Phase 1 and 2 of the SCOUTT initiative also supports level one clinics at facilities that are not formally involved in the SCOUTT initiative. Phase 3 facilities are now voluntarily being enrolled such that the SCOUTT initiative is within 80 clinics in over 40 facilities. In FY 2023, a pilot collaboration four Comprehensive Health Women's Clinics and four SCOUTT initiative facilities was initiated to improve the access and quality of care of women Veterans who have substance use disorders.

The SCOUTT initiative has demonstrated unique models of care delivery for M-ODU in Level 1 clinics. These care models include nurse care management, pharmacy care management, and hub and spoke models. Almost all SCOUTT initiative clinics are involved in telehealth provision of care, proceeding and after the start of the COVID pandemic. The number of patients receiving M-ODU within the SCOUTT clinics on a monthly basis has increased, monthly, even during the pandemic. The number of prescribers prescribing M-ODU has nearly tripled within the SCOUTT initiative clinics. The initiative is popular and valued by clinicians.

In 2021, evidence-based M-ODU, including office-based treatment with buprenorphine and extended-release injectable naltrexone, was accessible to patients seen at 100% 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-ODU for Veterans and to that end, is exploring models for mobile medication units with plans to establish pilot units in one to two sites in FY 2023. Given the lead time necessary to purchase a mobile medication unit, VA is considering contracting for these services from community mobile medication service providers. Lessons learned from VA's pilots will inform plans to expand these services more broadly through the enterprise. VA recognizes that one proposed purpose of mobile medication units is to increase access to justice-involved Veterans. VA does not have the authority to treat incarcerated Veterans as they are excluded from the VA medical benefits package under 38 CFR 17.38(c)(5). However, options to increase access of M-ODU for justice-involved Veterans who are not incarcerated are also being explored.

VA monitors the percent of patients with OUD who receive M-ODU (46.3% through quarter four of 2022) 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 fourth quarter of 2019, VA has seen a 4% increase in the number of Veterans that received M-ODU (total of 27,456 for 2022). Starting in 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 fourth quarter of 2021 with over 8,300 providers who have written any prescription issued to the VHA pharmacy (VA employed and community providers serving Veterans) as of December 2022 holding an X-Waiver. This reflects an increase of 28% from the same time point in 2021. 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 17% of those providers with an X-waiver issuing a prescription for buprenorphine as of December 2022. 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 (as VHA Notice 2020-30) and re-issued in September 2020 and again in February 2022 (as VHA Notice 2022-02) 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 OUD. 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 the SCOUTT initiative and Medication Addiction Treatment in the VA (MAT-VA) initiative, four monthly one-hour monthly webinars regarding substance use disorder education and training have been attended by 7,315 participants. Between January 2021 and December 2022 VA offered half-day waiver trainings with over 660 providers trained. In addition, shorter trainings were initiated for providers and other interdisciplinary staff who support M-ODU (“Buprenorphine 101 for the non-Addictionologist”). The VA has also started offering “office hour” sessions for M-ODU treatment consultation with subject matter experts (SMEs) where providers can discuss cases and ask questions of 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 Pharmacist Practitioners (CPPs) to deliver comprehensive medication management services and improve Veteran access to SUD care. In partnership with the VA Office of Rural Health (ORH), the VA Pharmacy Benefits Management (PBM) Clinical Pharmacy Practice Office (CPPO) launched a nationwide initiative in 2020 to expand the CPPs workforce focused on improving access to evidence-based treatment in OUD and alcohol use disorder (AUD) for rural Veterans. Since initiation, 51 VA facilities have been awarded funding to hire 64 CPPs across Mental Health, Pain Management, Primary Care and SUD Specialty Care settings. 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-CPPs with the goal of advancing CPPs practice in SUD care and harm reduction principles across level one clinics, in alignment with the SCOUTT initiative. 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. In FY 2022, 208 CPPs routinely delivered OUD care across practice settings to almost 28,000 Veterans over 47,000 patient care encounters. This represents double the number of CPPs practicing OUD care delivery since the implementation of the SCOUTT initiative. When looking at SUD care broadly, 516 CPPs routinely delivered SUD care to over 91,000 Veterans and over 162,418 patient care encounters in FY 2022. In partnership with the Pain Management Opioid Safety and Prescription Drug Monitoring Program (PMOP), a new project commenced in FY 2022 to support screening and treating OUD in patients with chronic pain through the hiring of CPP and Nurse Practitioner/Physician Assistant practitioner teams at 78 VA facilities. Given the collaboration with ORH and PMOP, VA expects significant CPP practice growth in OUD (as well as general SUD), to continue in 2023 and beyond.

Related to, but not specific to OUD treatment, VHA is expanding the number of Syringe Service Programs (SSPs) enterprise wide (see section on SSPs under harm reduction efforts below). Through SSPs, VA plans to support SUD treatment engagement among Veterans who use drug by injection, and, among those Veterans, increase its capacity for low threshold buprenorphine treatment for Veterans with OUD. As VA expands its implementation of SSP, it plans to evaluate the expansion to identify best practices and challenges experienced by early adopters.

### **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 2022 and then based on the results of these pilots disseminating best practices to the field in 2023. The workgroup is comprised of SUD subject matter experts, researchers, and clinical leaders from VA SUD treatment programs. The workgroup currently is focusing its attention on racial and gender disparities in access to medications for opioid use disorder (M-OUD). The Workgroup is identifying VA sites with little to no disparity in access to M-OUD as well as sites with higher rates of disparity. By doing so, the workgroup plans to identify challenges to equitable access to M-OUD as well as best practices to resolve such disparities and promote equity in SUD care in general across the enterprise. This project is consistent with Executive Order 13985 "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government" because it will advance equity because it will take a systematic approach to inform efforts to improve fairness in access to evidence-based medications for opioid use disorder.

In addition, 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, 62% 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 13 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% 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 two 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 SUD Care Anywhere* webinar series has convened webinars on SUD care for women (in 2019), culturally competent SUD care (in 2020) and is convening a webinar on SUD care for Native Americans in January 2022.

For the past several years, the Office of Mental Health and Suicide Prevention (OMHSP) has been working collaboratively with VHA's Office of Health Equity (OHE) in identifying issues related to capturing Veteran demographic data in our current electronic health record so that disparities in mental health services can be accurately assessed. Further, OMHSP has been examining data related to staffing and disparities in provision of mental health services. More recently, OMHSP is planning expansion of the collaboration with OHE.

Work by OMHSP and OHE are part of broader VA strategies to improve equity. These strategies include improving data to understand and track disparities especially for sexual minority Veterans and Veterans with health-related social risks; supporting recruitment, professional development, and advancement of diverse groups of leaders to ensure an inclusive workforce; establishing safe workplaces that leverage diversity and empower all staff; ensuring equity in pay and contracting; promoting special emphasis programs and employee resource groups to advance equity for all employees; and delivering training and learning to support diversity, equity, and inclusion.

#### **Addressing stigma in SUD treatment**

The VA has proposed language into planned SUD policy aimed at stressing the importance of adopting of consistent, Veteran-centric, science-based language regarding substance use. In addition, this concept is being stressed at multiple community of practice meetings which reach SUD leadership and front-line providers across the VA enterprise. Stigma is also a topic that was recently addressed in the VA webinar series, "Best SUD Care Anywhere!" open to federal partners including the Department of Defense.



### **Make the Connection website**

The Make the Connection website campaign is an online resource featuring over 600 Veterans who have shared their stories of strength and resilience in the hopes of encouraging others to reach out for support. The campaign connects Veterans, their family members and friends, and other supporters with information, resources, and solutions to mental health challenges affecting their lives. MaketheConnection.net is VA's premier mental health literacy and anti-stigma website allowing users to explore mental health conditions and their signs and symptoms in plain language; and find resources in their community. Individuals can find a number of testimonials related to substance use disorder like "You don't have to face your challenges alone". Additional resources available at Make the Connection include education on mental health and SUD treatment, self-assessment, and self-help guidance, and how to access formal care. Resources are just specific to Veterans, their loved ones, clinicians, active-duty service members, and reservists also are available. A subsection of the website is dedicated to SUD: available here as well as related signs and symptoms.

### **Other Communication Efforts**

VA continues to utilize various communication channels to provide education and awareness as it relates to de-stigmatize SUD care and providing resources. Among those efforts include the following:

- VA's Mental Health Website – A website that provides several resources, information on treatment options, and more related to mental health. The site includes specific information as it relates to SUD which includes brief (30 and 15 second videos) aimed at educating audiences about Stimulant Use Disorders and the treatment options available VA (Substance Use: Stimulant Use Disorder - Mental Health (va.gov))
- Utilization of VA communication channels such as posting on VA's Facebook, Instagram and Twitter platform as well as proving blogs for VA News related to:
  - Alcohol: VA posts VantagePoint blogs intended to educate the public about safer and risky drinking levels as well as treatment available through VA.
  - Overdose prevention: VA also posts VantagePoint blogs related to overdose protection.

### **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 four of 2012 (beginning in July 2012) to quarter four of 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 received 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 when VHA has seen a 6% 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 overuse 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 with the 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 overuse 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% 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 overuse, 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.

Additionally, VHA has formalized a system-wide Academic Detailing program that is in the 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, 2022, academic detailers (specially trained VA Pharmacists) have held 82,850 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. Fifty (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 two 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. In October 2022, VA also commenced its implementation of the DUMP Opioids Act (P.L. 117-29) with its inaugural controlled substance prescription medication take-back days on October 28 and 29. VA's bi-annual take-back days will coincide with DEA's medication take-back days in April and October of each year, thus expanding opportunities for Veterans and members of the general public to safely and securely dispose of unused controlled substance prescription medications in VA locations.

### **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 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 and also has the new Zimhi® injection formulation available. 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 46,600 VHA prescribers, representing all VHA facilities, have prescribed naloxone, and more than 882,000 naloxone prescriptions have been dispensed to over 409,900 Veterans (as of December 2022). Through December 2022, as documented through spontaneous reporting of overdose reversal events as well as through a national note, over 3,400 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 External Defibrillator Automated (AED) cabinets with naloxone, with ten 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 low barrier 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 2022, VHA is working on developing a national electronic medical record note template for SSPs to facilitate documentation of screening for infectious diseases associated with injection drug use, vaccinations, referrals for services, and dispensing of SSP kits along with other harm reduction supplies (e.g., naloxone, fentanyl test strips, condoms). VHA has a contract in place that provides six standard VHA SSP kits for VHA 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 is also developing a 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 2022, there were four VHA facilities operating SSPs, with another 18 VHA facilities close to standing up and implementing SSPs. By December 2022 there were nine VHA facilities operating SSPs and continuing into 2023, VHA expects the number of programs to increase significantly with implementation of the SSP Directive, SSP National note, and standard SSP kits. FY 2023 efforts will focus on assisting programs with implementation via data tools and other supportive resources. VHA will promote integration of comprehensive harm reduction practices including distribution of fentanyl test strips, and work to disseminate proven innovations to the maximum extent possible. Moreover, in light of the difficulties in identifying potential patients for outreach regarding SSPs given the lack of ICD-10-CM codes to capture injection drug use (IDU), in December 2022, VHA submitted a formal request to add a new ICD-10-CM code to capture IDU. It is also trying to use natural language processing and constellations of ICD-10-CM codes to try to identify potential candidates for SSPs.

### **Stratification Tool for Opioid Risk Mitigation (STORM)**

To further strengthen the aforementioned Opioid Safety Initiative and Opioid Education and Naloxone Distribution, VHA has deployed state-of-the-art tools to help protect Veteran patients using high-doses of opioids or with other SUD or medical risk factors that put them at an increased risk of complications from opioid overdose. 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. Among the tools is the Stratification Tool for Opioid Risk Mitigation (STORM), which is available to all clinical staff in the VHA. 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. The STORM model, which estimates risk of overdose or suicide events or death for all patients, has been incorporated in a decision support tool to support population management and individual patient risk review aimed at reducing fatal overdoses. This system encourages and facilitates naloxone distribution to patients at elevated risk of overdose. In addition to this general decision support, VA mandated that all patients identified as very high risk, per the STORM risk estimates, receive a case review by an interdisciplinary team of providers with expertise spanning pain, mental health, addiction, pharmacy and rehabilitation.

Since VA mandated case reviews for all Veterans identified as very high risk for overdose or suicide by STORM, a randomized program evaluation found a 22% reduction in all-cause mortality among patients targeted by this prevention program. Given these findings, efforts to improve implementation of this prevention program have continued. The policy was modified on December 1, 2021, to additionally require interdisciplinary case reviews of patients with past year overdoses and patients who were very high risk and recently discontinued opioids analgesics. Completion of interdisciplinary team reviews for patients on opioid analgesics estimated at very high risk increased from 29.8%, at the time of the evaluation, to 50% in FY 2019 Q4 and to 75.2% in FY 2021 Q4. With expansion of the cohort of very high-risk patients to include patients who had discontinued opioids analgesics in the past 6 months as well as those on opioid analgesics, completion rates declined slightly to 69.3%, though the number of completed reviews increased from 4,097 in FY 2021 Q4 to 8,584 in FY 2022 Q4. Completion of reviews for patients with past year overdoses also increased. By FY 2022 Q4, VA interdisciplinary teams had reviewed 52.4% of this new patient population.

#### **Post-Overdose Assessment and Care Planning**

During 2019, VHA implemented a process for documenting all overdoses, including 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. VHA is in the process of implementing a memorandum for Naloxone to High-Risk Veterans aimed to ensure that Veterans with a previous opioid- or stimulant-overdose who do not have naloxone are offered opioid overdose education and a prescription for naloxone no later than December 31, 2023.

#### **Advancing recovery-ready workplaces and expanding the addiction workforce/ Expanding access to recovery support services.**

- 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
    - During 2021, 59% of Veterans newly enrolled in VHA Vocational services had a SUD diagnosis. However, research has shown that Veterans are frequently not assessed for, or if assessed, not referred to vocational services suggesting the number of Veterans in need of vocational support may be higher. Review of the literature suggests the SE has the potential to significantly improve employment outcomes for those Veterans experiencing SUD concerns, particularly those Veterans with other co-occurring conditions (Lones et al., 2017; Rosenheck & Mares, 2007; Mueser et al., 2011). The NDCS emphasizes the need for VA to explore opportunities to support expanded access to employment for those in recovery. VA Supported Employment (SE) is currently available to Veterans diagnosed with a Serious Mental Illness. Expansion to serve Veterans with SUD is being phased in over 2022 and 2023 with sustainment needed in 2024 and 2025 to hire additional staff at VA medical centers to provide the necessary vocational supports as well as support for implementation to include mechanisms for monitoring fidelity to the SE model of care. Considering the current pandemic and impact on unemployment rates nationally, the budget seeks to increase access to SE services for Veterans diagnosed with a SUD with support.
  - 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.
    - Specific training focused on peer specialists' roles in assisting Veterans with SUD was provided to peer specialists and their supervisors at the four-day VHA Peer Specialist and Peer Support Services Virtual National Conference which took place in August 2022. Additional training for staff regarding hiring, training, supervision of peer specialists, and examples of peer specialists' interventions for Veterans with SUD was presented at the VHA Substance Use Disorder Treatment Virtual Conference that occurred in October 2022.
  - Homeless program SUD coordinator positions were also awarded enterprise-wide to engage homeless Veterans with SUD into VA SUD outpatient and residential services.

## **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 VJO 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 46 positions added from 2020 to 2022.

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%) or SUD (56%) diagnosis, or both (48%). Within one year of their VJO outreach visit, 92% of Veterans with mental health diagnoses participated in at least one VHA mental health visit. Within the same timeframe, 66% of Veterans with substance use disorder diagnoses received at least one VHA substance use disorder visit. These Veterans averaged 12 outpatient visits that year. Veterans seen by HCRV Specialists have a similar profile, with 43% with a mental health diagnosis, 23% with a SUD diagnosis and 18% with both. Veterans in HCRV access VHA care at high rates, but slightly lower than those in VJO with 86% 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 SUD, 52% received at least one visit, and an average of six 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 623 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 and has presented on VA’s experience with Supported Employment initiatives in 2022. VA collaborates with a variety of Federal Agencies on several Interagency Policy Committees (IPCs) and Work Groups (IWGs) including the ONDCP Substance Use Disorder Data IWG; Pregnant People, Substance Use Disorder and Child Welfare Substance Use Disorder in Pregnancy sub-IPC, and the ONDCP-DPC Recovery-Ready Workplace Interagency Workgroup. VHA also works closely with The Department of Health and Human Services/ Substance Abuse and Mental health Services Administration (SAMHSA) on issue related to OTPs, SUD treatment and harm reduction initiatives. Through VHA’s interagency work, VA is participating or expects to participate in solutions to a variety of areas in the NDCS including enhancing federal harm reduction efforts to support state and local partners; assessing current evidence base on harm reduction strategies and developing a plan for additional translational research; conducting a national harm reduction needs assessment; consulting with experts on harm reduction; and implementing a national case-finding initiative.

Furthermore, VHA has worked 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 (HSS)/ Substance Abuse and Mental Health Services Administration (SAMHSA) on education related to Contingency Management and oversight of the VA Opioid Treatment programs. VHA also recently worked with HSS 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 DoD to share lessons learned across the agencies to support access to M-ODU, particularly for transitioning service members and in 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 25) 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. Further, in accordance with guidance provided in the Office of National Drug Control Policy’s FY 2012 certification letter of November 24, 2010, incorporates Specialized Treatment costs regardless of setting.

**Specialized Treatment Costs (Dollars in Millions)<sup>1</sup>**

<b>Specialized Treatment</b>	<b>VHA Obligations</b>	<b>Care in the Community Obligations</b>	<b>Total Obligations</b>	<b>FTE</b>
Inpatient	\$251.301	\$251.484	\$502.785	888
Outpatient	\$339.395	\$60.980	\$400.375	1,165
Residential Rehabilitation & Treatment	\$263.619	\$0.000	\$263.619	1,028
<b>Total</b>	<b>\$854.316</b>	<b>\$312.464</b>	<b>\$1,166.779</b>	<b>3,081</b>

<sup>1</sup>Numbers may not add due to rounding

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.), and the harms associated with SUD. Veterans have experienced many of the problems of SUD that is further complicated with the co-existence of mental health and other conditions, including pain and traumatic brain injury. VHA's Office of Research and Development (ORD) continues to support research on SUD by maintaining existing efforts and by developing new programs.

### **Harm Reduction**

- Naloxone distribution. As of December 2022, over 409,000 Veterans were dispensed naloxone kits with over 3,400 reported reversals. Current research focuses on 1) Characterizing the distribution of kits to patients with opioid use disorder (OUD) and its effectiveness, and 2) At risk patients prescribed opioid analgesics receiving naloxone kits compared to patients that did not receive kits and incidence of accidental overdoses. This study will determine whether VA is meeting its intended goal of reducing opioid overdose among Veterans.
- Assessing current evidence base on harm reduction strategies and develop a plan for additional translational research. VHA and ORD have solicited the Health Services Research and Development's Evidence Synthesis Program to conduct a comprehensive analysis on this topic. Evidence based on pertinent publications will be compiled and analyzed then presented to VHA and ORD as an Evidence Compendium. This product will provide an overview of published reviews and primary studies, describing the characteristics of the syringe services programs studied, the methodologies employed by studies in this area, and the outcomes assessed. A gaps analysis will be conducted to guide the development of future funding opportunities in these areas.
- Supporting harm reduction training and education for the treatment workforce. Stepped Care for Opioid Use Disorder (OUD) Train-the-Trainer (SCOUTT) is a model aiming to improve access to OUD treatment and prevent suicide by training non-SUD specialty-care teams to deliver buprenorphine and naltrexone. Once the practice is established, these trained providers then train other individuals at other VA Medical Centers using the same approach. This is an ongoing study.
- Promoting access to harm reduction services. Research on access targeting Veterans living in rural communities and whether these Veterans utilize services such as complementary and integrative health (CIH) approaches in parallel with opioid tapering regimens and Veterans' access to buprenorphine. In a second study, buprenorphine prescribing practices by providers are compared between rural versus urban Veterans to address health care disparities within the VA. More recent studies focus on the delivery of cognitive behavior therapy delivered via telehealth to improve pain and opioid outcomes, providing access to care for Veterans living in rural communities.
- Comprehensive programs on harm reduction. These programs delve into preventing additional adverse events associated with SUD including viral and bacterial infections by working with VA Medical Centers, community agencies and Veterans to develop comprehensive harm reaction "bundles". These "bundles" include access to sterile syringes, Narcan and overdose prevention education, skin cleaning education and recommendations for infectious disease screening and other prevention resources. The "bundles" will be adapted for use in different settings including in- or outpatient as well as in the rural community.

## **Substance Use Disorder (SUD) Treatment**

- Improving treatment engagement. An innovative use of saliva toxicology tests providing rapid point-of-care results to inform medication for OUD is being evaluated within the VA. Use of saliva allows patients to self-test, avoiding the requirement to produce urine samples under supervision at the lab or clinic, which is stigmatizing. If successful, saliva toxicology toolkits can be implemented within the VA healthcare system.
- Improving treatment quality. VHA ORD funds several studies examining the role of opioid or medication for OUD reduction or discontinuation focusing on the patient and risk for adverse events. These studies examine different tapering and discontinuation procedures and the consequences including changes in pain outcomes, quality of life, and interactions with providers. Recent studies focus on loneliness and SUD, and delivery of care using telehealth.
- Emphasizing care for Veterans living with co-existing SUD and mental health conditions. Sleep quality, PTSD/anxiety, TBI and depression are key conditions that often co-exist with SUD. Research in these areas focus on a whole health approach to treat the mind and body.
- Treatment for individuals leaving incarceration. Currently there are few psychosocial programs focused on transition from incarceration toward reentry into society, the difficulties encountered and tools to use to assist in the transition process. An ORD study seeks to develop a rehabilitation program for Veterans exiting imprisonment that is rated acceptable and usable by Veterans, and the concurrent development of assessment tools to be used with Veterans exiting incarceration to promote successful transition and avoid reincarceration (NCT04366531). A second program focuses on recidivism risk and the development of a rehabilitation treatment program that includes SUD services, peer support, employment and/or educational support, and trauma-informed care. This approach was found to be successful in several pilot studies and is now in a randomized clinical trial (NCT04523337).

## **Building a Recovery-Ready Nation**

- Eliminating Barriers and Increasing Opportunities. VA researchers are identifying the barriers to and facilitators of sustained employment among Veterans with OUD/SUD. These studies examine the role of supported employment services on occupational and long-term employment outcomes, as well as sobriety, community integration and quality of life (NCT05388812 and NCT04969081).

In summary, VHA ORD continues its commitment to placing substance/opioid use disorders as an area of high priority in the hopes of stimulating the field to develop, test and implement novel strategies towards the treatment of SUD.

In addition, VHA continues to reduce excessive reliance on opioid medication, VA will maintain efforts in 2024 on pain-management research in areas responsive to the *Jason Simcakoski Memorial and Promise Act*, *Commander John Scott Hannon Veterans Mental Health Care Improvement Act*, and the *Comprehensive Addiction and Recovery Act*. Towards this goal, VA continues 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.
- Development of non-opioid 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. Examples include targeting: 1) 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, knee osteoarthritis, and burns; 2) Blocking melanocortin-4 receptors to treat inflammatory pain common in certain musculoskeletal and arthritic conditions; 3) Endomorphins, naturally occurring molecules found in the brain with powerful pain-relieving effects; and 4) Repurposing FDA approved drugs for treatment of pain and spasticity for people living with spinal cord injury.

- 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 and alcohol use disorder, provision of biobehavioral approaches, as well as establishing best practices for delivery of care using these modalities.
- Using precision medicine approaches to identify biomarkers for individuals with OUD to help guide the clinical course of action. VA investigators are studying the use of imaging-based brain connectivity data and genetic information (Million Veteran Program) to determine the best clinical course of action to treat OUD (e.g., buprenorphine or a switch to a different medication for OUD).

<b>Specialized Function</b>	<b>Obligations (Millions)</b>	<b>Drug Control Related Percent</b>	<b>FTE</b>
Research & Development	\$27.931	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. Further, VA’s methodology for calculating Substance Abuse Treatment Costs includes all costs of treating substance abuse, regardless of setting as stated in the Office of National Drug Control Policy FY 2012 certification letter of November 24, 2010. Drug control methodology detailed in A.1 was the actual methodology used to generate the Resource Summary (page 24).

4. Material Weaknesses or Other Findings – CliftonLarsonAllen LLP provided an unmodified opinion on VA’s FY 2022 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). The two significant deficiencies are: 1) Obligations, Undelivered Orders (UDOs), and Accrued Expenses; and 2) Entity Level Controls including CFO Organizational Structure.

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 2021, 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 2022 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.1 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 2022 Drug Control Obligations Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2022

**LAURA  
DUKE**

Digitally signed by  
LAURA DUKE  
Date: 2023.02.06  
13:08:55 -05'00'

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Laura Duke  
Chief Financial Officer  
VHA Office of Finance (104)

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Date

**Charles J.  
Stepanek 105156**

Digitally signed by Charles J.  
Stepanek 105156  
Date: 2023.02.05 19:18:20  
-05'00'

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Charles Stepanek  
Director of Budget Services  
Resource Management (104B)

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Date

Department of Veterans Affairs  
Resource Summary  
Obligations (In Millions)

	2022 Actual <sup>1</sup>
Medical Care:	
Specialized Treatment	
Inpatient	\$502.785
Outpatient	\$400.375
Residential Rehabilitation & Treatment	\$263.619
Specialized Treatment	\$1,166.779
Medical & Prosthetics Research:	
Research & Development	\$27.931
Drug Control Resources by Function & Decision Unit, Total	\$1,194.710
Drug Control Resources Personnel Summary	
Total FTE	3,081
Total VHA Enacted Appropriations <sup>2,3</sup>	\$102,177
Drug Control Percentage	1.2%

<sup>1</sup>Numbers may not add due to rounding

<sup>2</sup>Includes VHA Medical Care Appropriations and Medical and Prosthetic Research Appropriation account, including supplemental appropriations only.

<sup>3</sup>Includes VHA Medical Care and Research portions of the Cost of War Toxic Exposures Fund and funds made available to VHA from section 705 of the Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022.



# Tab P



UNITED STATES POSTAL INSPECTION SERVICE

CONTRABAND INTERDICTION & INVESTIGATIONS

MEMORANDUM TO: Director  
Office of National Drug Control Policy

FROM: Dan Adame  
Inspector in Charge  
United States Postal Inspection Service

Daniel A. Adame  
Digitally signed by Daniel A. Adame  
Date: 2023.01.12 13:40:53 -05'00'

DATE: January 12<sup>th</sup>, 2023

SUBJECT: United States Postal Inspection Service  
Budget Formulation Compliance Report for FY 2024

**Summer Budget Request**

Below is a copy of the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2):

	FY2021 (Actual)	FY2022 (Actual)	FY2023 (Estimate)
CI2 Personnel Expenses	\$71,788,265	\$62,117,959	\$62,117,959
Asset Forfeiture Fund Expenditures	\$5,421,666	\$4,441,392	\$4,441,392
CI2 Nonpersonnel Expenses	\$447,901	\$593,554	\$593,554
CI2 Operating Expenses	\$4,666,268	\$4,715,919	\$4,715,919
CI2 Capital Expenses	\$995,812	\$83,396	\$83,396
<b>Total:</b>	<b>\$83,319,912</b>	<b>\$71,952,220</b>	<b>\$71,952,220</b>

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 was submitted on July 14, 2022 to ONDCP in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) and 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**

As a non-appropriated agency within the federal government, I assert that the funding submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the US Postal Inspection Service without alteration or adjustment by any official within the US Postal Inspection Service.



MEMORANDUM TO: Director  
Office of National Drug Control Policy

FROM: Dan Adame  
Inspector in Charge  
United States Postal Inspection Service

**Daniel A. Adame** Digitally signed by Daniel A. Adame  
Date: 2023.01.12 14:38:28 -05'00'

DATE: January 12<sup>th</sup>, 2023

SUBJECT: United States Postal Inspection Service  
Detailed Accounting Compliance Report for FY 2022

**Drug Control Funding Obligations**

<b>FY 2022 Funding by Decision Unit (\$ millions)</b>		
<b>Decision Unit</b>	<b>FY 2022 Budget Authority</b>	<b>FY 2022 Obligations</b>
CI2 Personnel Expenses	\$62,117,959	\$62,117,959
Asset Forfeiture Fund Expenditures	4,441,392	4,441,392
CI2 Nonpersonnel Expenses	593,554	593,554
CI2 Operating Expenses	4,715,919	4,715,919
CI2 Capital Expenses	83,396	83,396
<b>Total</b>	<b>\$71,952,220</b>	<b>\$71,952,220</b>

<b>FY 2022 Funding by Drug Control Function (\$ millions)</b>		
<b>Decision Unit</b>	<b>FY 2022 Budget Authority</b>	<b>FY 2022 Obligations</b>
<b>Investigations</b>	<b>\$71,952,220</b>	<b>\$71,952,220</b>

**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 2022 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.