# FY 2019 ACCOUNTING OF DRUG CONTROL FUNDS AND PERFORMANCE SUMMARY

Office of National Drug Control Policy

**APRIL 2020** 

## **Table of Contents**

## Introduction

## **Agency Submissions**

Department of Agriculture	Tab A
Court Services and Offender Supervision Agency	Tab B
Department of Defense	Tab C
Department of Education	Tab D
Department of Health and Human Services	Tab E
Department of Homeland Security	Tab F
Department of Housing and Urban Development	Tab G
Department of the Interior	Tab H
Department of Justice	Tab I
Department of Labor	Tab J
Department of State and Other International Programs	Tab K
Department of Transportation	Tab L
Department of the Treasury	Tab N
Department of Veterans Affairs	Tab N

## Introduction

## **Background**

This Summary presents for Congress the *Fiscal Year 2019 Accounting of Drug Control Funds and Performance Summary*. Pursuant to 21 U.S.C. § 1704(d)(1)-(2):

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 [Office of National Drug Control Policy (ONDCP) guidance refers to this as a Detailed Accounting Submission (DAS)] 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" and "The Director shall submit to Congress not later than April 1 of each year the information submitted to the Director under paragraph (1).

The Director of the Office of National Drug Control Policy is also authorized under 21 U.S.C. § 1703(d)(7) to "monitor implementation of the National Drug Control Program, including – (A) conducting program and performance audits and evaluations [ONDCP guidance refers to this as a Performance Summary Report (PSR)]; and (B) requesting assistance from the Inspector General of the relevant agency in such audits and evaluations...."

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>1</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>2</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 DAS and PSR. An agency or bureau submitting an Alternative DAS 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. An agency or bureau submitting an Alternative PSR shall provide the performance reporting information required

<sup>&</sup>lt;sup>1</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>&</sup>lt;sup>2</sup>ONDCP Circular: National Drug Control Program Agency Compliance Reviews. October 22, 2019

under Section 8.a. and the assertions required under 8.b of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews.

For this reporting period, and consistent with 21 U.S.C. § 1704(d)(1), the OIGs from the Departments of Defense, Housing and Urban Development, Justice, and Transportation elected to conduct an attestation review for the fiscal year ending September 30, 2019.

#### <u>Department Compliance and Attestation Reviews</u>

The following Departments and agencies did not fully comply with 21 U.S.C. § 1704(d)(1) and ONDCP guidance. ONDCP will work with the identified agencies in fulfilling the requirements of the Circular for the FY 2020 DAS and PSR.

- U.S. Department of Agriculture, United States Forest Service and Office of Rural Development
- Department of Defense, Defense Security Cooperation Agency and Health Affairs
- Department of Homeland Security, Federal Emergency Management Agency
- Department of Interior, Bureau of Indian Affairs, Bureau of Land Management, and National Park Service
- Department of State, International Narcotics and Law Enforcement Affairs

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) and 21 U.S.C. § 1703(d)(7). Where there were compliance issues or material weaknesses identified, ONDCP will work with the agency to address prior to the submission of the FY 2020 reports.

	Detailed /	Accounting Sul	bmission	Perfori	mance Summa	rv Report
	Compliance with ONDCP Circular (Yes/No)	OIG/ Indep. Auditor Attestation Review	Material Weakness Identified (Yes/No)	Compliance with ONDCP Circular (Yes/No)	OIG/Indep. Auditor Attestation Review	Provided Signed Management Assertions
		(Pass/Fail)			(Pass/Fail)	(Yes/No)
Agriculture					2	
United States Forest Service	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Office of Rural Development	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No
Court Services and Offender Supervision Agency	V	3	NI-		3	
Community Supervision and Pretrial Services	Yes	N.A. <sup>3</sup>	No	Yes	N.A. <sup>3</sup>	Yes
Defense  Drug Interdiction and Counterdrug Activities	Voc	Dass	No	Vos	Dace	Voc
Defense Security Cooperation Agency	Yes No	Pass Fail	Yes	Yes No	Pass Fail	Yes No
Health Affairs	No	Fail	Yes	No	Fail	No
Education	110	ruit	163	110	ran	110
Office of Safe and Drug-Free Schools	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Health and Human Services	1			II		
Administration for Children and Families	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Centers for Disease Control and Prevention	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Centers for Medicare & Medicaid Services	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Health Resources Service Administration	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Indian Health Service	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
National Institute on Alcohol Abuse and Alcoholism	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
National Institute on Drug Abuse	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Substance Abuse and Mental Health Services Administration	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Homeland Security	1	14.14.			14.14.	
Customs and Border Protection	Yes	N.R. <sup>2</sup>	No <sup>4</sup>	No	N.R. <sup>2</sup>	Yes
Federal Emergency Management Agency	No	N.R. <sup>2,5</sup>	No	No	N.R. <sup>2</sup>	No
Federal Law Enforcement Training Center	Yes	N.R. <sup>2</sup>	No	P.I. <sup>1</sup>	N.R. <sup>2</sup>	Yes
Immigration and Customs Enforcement	Yes	N.R. <sup>2</sup>	No <sup>4</sup>	Yes	N.R. <sup>2</sup>	Yes
United States Coast Guard	Yes	N.R. <sup>2</sup>	No <sup>4</sup>	Yes	N.R. <sup>2</sup>	Yes
Housing and Urban Development	163	IV.IX.	INO	163	IN.IX.	163
Office of Special Needs Assistance Programs	Yes	Pass	No	Yes	Pass	Yes
Interior	. 65	. 435			. 455	
Bureau of Indian Affairs	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No	P.I. <sup>1</sup>	N.R. <sup>2</sup>	Yes
Bureau of Land Management	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No	P.I. <sup>1</sup>	N.R. <sup>2</sup>	Yes
National Park Service	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No	P.I. <sup>1</sup>	N.R. <sup>2</sup>	Yes
Justice	1 .1.	IV.IV.	1.0	1 .1.	IV.IV.	. 65
Asset Forfeiture Fund	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Criminal Division	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Drug Enforcement Administration	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Federal Bureau of Prisons	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Office of Justice Programs	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Offices of the United States Attorneys	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Organized Crime Drug Enforcement Task Force	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
United States Marshals Service	Yes	Pass	No <sup>4</sup>	Yes	Pass	Yes
Labor	163	1 033	INO	163	1 433	163
Employment and Training Administration	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Office of Workers' Compensation Programs	Yes	N.R. N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
State	103	14.17.	1 140	103	IV.IV.	103
International Narcotics and Law Enforcement Affairs	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No	P.I. <sup>1</sup>	N.R. <sup>2</sup>	No
United States Agency for International Development	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Transportation	1 .23	(1.17.			19,17,	
Federal Aviation Administration	Yes	Pass	No	Yes	Pass	Yes
National Highway Traffic Safety Administration	Yes	Pass	No	Yes	Pass	Yes
Treasury						
Internal Revenue Service	Yes	N.R. <sup>2</sup>	No	Yes	N.R. <sup>2</sup>	Yes
Veterans Affairs						
Veterans Health Administration	Yes	N.R. <sup>2</sup>	Yes	Yes	N.R. <sup>2</sup>	Yes
1 Partial Information In compliance with the a	• 1		1	1 1		

<sup>&</sup>lt;sup>1</sup>Partial Information. In compliance with the guidance, some Agencies submitted an alternative report citing that the requirements created an unreasonable burden. In some cases agencies provided budget and/or performance information in an alternative report that did not fully comply with requirements of Section 10 of

the ONDCP Circular: National Drug Control Program Agency Compliance Reviews. In other cases, for the full report, responsive information was provided but an element, such as a signature, was missing. ONDCP will work with Agencies regarding fulfilling with the requirements of the Circular for the FY 2020 DAS and PSR.

- <sup>2</sup> Not Required/Provided. Per *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*, the IG 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> Not Applicable. CSOSA does not have an IG component or function to review and express a conclusion on the reliability of the accounting and performance assertions made in its report. ONDCP granted CSOSA's exception request for the FY 2019 reporting period.
- <sup>4</sup> Agency level audits found material weaknesses in accounting procedures that did not impact the accurate reporting of drug control funding.
- <sup>5</sup>While the DHS OIG did not conduct an attestation this year, ONDCP gave FEMA a rating of fail as it did not provide a DAS or a PSR.

## **Summary of Agency Reports**

## <u>Department of Agriculture</u>

The Department of Agriculture's (USDA) U.S. Forest Service (USFS) submitted an alternative FY 2019 DAS and a PSR (Tab A) to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). The funding levels for USFS fell below reporting threshold of \$50 million, therefore the agency submitted an alternative report. While responsive information was provided, the alternative report did not fully comply with reporting requirements. Specifically, USFS did not provide items listed on pages 3-5 of ONDCP circular *National Drug Control Program Agency Compliance Reviews*, under 7(a) 2-6, nor the assertions under 7(b)1-7. ONDCP will work with the Department in complying with the requirements of the Circular for the FY 2020 Accounting and Performance Report.

USDA's Office of Rural Development (ORD) did submit two informative documents to ONDCP. One provided an overview of ORD's Drug Mitigation Programs, including a description of the program's mission, performance data, and some summaries of the program's positive impact in Arizona, Illinois, and Missouri. The other was a specific spreadsheet of FY 2019 ORD opioid related obligations. ONDCP recognizes that these submissions reflect a good faith effort by ORD to comply with the accounting and performance requirements. However, while responsive information was provided, the submission report did not include required accounting and performance information and accompanying management assertions. ONDCP is committed to working with USDA and ORD on effective compliance with all requirements next year.

### **Court Services and Offender Supervision Agency**

The Court Services and Offender Supervision Agency (CSOSA) FY 2019 DAS and PSR (Tab B) requested an exception from certain provisions relating to review of their report by an IG as required under 21 U.S.C. § 1704(d)(1) because CSOSA does not have an OIG component or function to review and express a conclusion on the reliability of the accounting and performance assertions made in its report. ONDCP granted CSOSA's exception request for the FY 2019 reporting period. The agency includes tables with FY 2019 obligations and relevant performance information. CSOSA complied with ONDCP guidance. CSOSA is assessed a rating of "pass."

## **Department of Defense**

The Department of Defense's (DoD) accounting of FY 2019 drug control obligations (Tab C) did not fully comply 21 U.S.C. § 1704(d)(1). The OIG concluded that "DoD did not conform in all material respects..." and "[s]pecifically, Defense Health Program (DHA), Counternarcotics OPTEMPO, and the Defense Security Cooperation Agency (DSCA) did not provide detailed accounting submissions for FY 2019..." The DoD IG noted that the reports did not conform to the Circular. The Assistant Secretary of Defense for Health Affairs (ASD(HA) did not provide a FY 2019 DAS and PSR, the Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats (DASD CN&GT) did not provide sufficient supporting data for one performance measure, and DSCA did not provide a FY 2019 DAS and PSR. DASD (CN&GT) received a rating of "pass." DHA and DSCA are assessed a rating of "fail." ONDCP will work with DASD CN&GT to resolve the OPSTEMPO issue in preparation for next year's submission.

## <u>Department of Education</u>

The Department of Education's (Education) accounting of FY 2019 drug control obligations (Tab D) satisfies requirements established by 21 U.S.C. § 1704(d)(1). Education submitted as required a DAS

(with appropriate disclosures) by the agency for National Drug Control Program activities during fiscal year 2019. In accordance with 21 U.S.C. § 1704(d)(1), the OIG has notified Education that they have chosen not to authenticate the material noted for fiscal year ending September 30, 2019. Education provided the required PSR. Education is assessed a rating of "pass."

## **Department of Health and Human Services**

The Department of Health and Human Services' (HHS) FY 2019 drug control obligations accounting submission (Tab E) includes separate reports for the Administration for Children and Families (ACF), Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), the Indian Health Service (IHS), the National Institutes of Health's (NIH) National Institute on Alcohol Abuse and Alcoholism (NIAAA) and National Institute on Drug Abuse (NIDA), and the Substance Abuse and Mental Health Services Administration (SAMHSA). The Centers for Medicare & Medicaid Services (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. In accordance with 21 U.S.C. § 1704(d)(1), the OIG has notified HHS that they have chosen not to authenticate the material noted for fiscal year ending September 30, 2019. Information is provided below with regard to each HHS agency.

**ACF**: ACF submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). ONDCP will work with ACF to facilitate the development of more detailed accounting and performance reporting next year. ACF is assessed a rating of "pass."

**CDC**: CDC submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). CDC is assessed a rating of "pass."

**CMS:** CMS submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). Note that in CMS reporting to ONDCP, grants to States for Medicare and Medicaid programs are not included; that CMS reports actuarial outlay estimates for drug-related mandatory spending program rather than budget authority and therefore expenditures are calculated under a different time schedule than discretionary funding; and, that CMS utilized an alternative approach to performance management which ONDCP accepts as meeting the requirements of the PSR. CMS is assessed a rating of "pass."

**HRSA**: HRSA submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). HRSA is assessed a rating of "pass."

**IHS**: IHS submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7)). IHS is assessed a rating of "pass."

**NIAAA**: NIH-NIAAA submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). NIAAA is assessed a rating of "pass."

**NIDA**: NIH-NIDA's submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7)). NIDA is assessed a rating of "pass."

**SAMHSA**: SAMHSA submitted an FY 2019 DAS and a PSR to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). SAMHSA a rating of "pass."

### <u>Department of Homeland Security</u>

The Department of Homeland Security's (DHS) DAS (Tab F) includes separate reporting for Customs and Border Protection (CBP), the Federal Emergency Management Agency (FEMA), the Federal Law Enforcement Training Centers (FLETC), U.S. Immigration and Customs Enforcement (ICE), and the United States Coast Guard (USCG).

**CBP**: The FY 2019 DAS and PSR was submitted as required by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). CBP is assessed as a "pass."

**FEMA**: FEMA did not provide the FY 2019 DAS as required by 21 U.S.C. § 1704(d)(1). FEMA also did not submit a PSR as required by 21 U.S.C. § 1703(d)(7) and is assessed a rating of a "fail" in both categories. ONDCP will work with FEMA in preparation for next year's submission.

**FLETC**: FLETC provided the information for an alternative FY 2019 DAS as required by 21 U.S.C. § 1704(d)(1), and for the PSR required by 21 U.S.C. § 1703(d)(7). ONDCP will work with FLETC to facilitate the development of a more detailed accounting and performance reporting for the FY 2020 submission. FLETC is assessed a rating of "pass."

ICE: The FY 2019 DAS and PSR was submitted as required by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). ICE is assessed a rating of "pass."

**USCG**: USCG submitted a FY 2019 DAS and PSR report as required by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). The USCG is assessed as a "pass."

## <u>Department of Housing and Urban Development</u>

The Department of Housing and Urban Development's (HUD's) Office of Special Needs Assistance submitted an FY 2019 DAS and a PSR (Tab G) to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). The reports complied with established guidance and the OIG attestation review "passed" the program under their assessment. Therefore, HUD is assessed a rating of "pass."

## **Department of the Interior**

DOI's DAS and PSR (Tab H) includes separate reports for the Bureau of Indian Affairs (BIA), the Bureau of Land Management (BLM) and the National Park Service (NPS). The funding level for these bureaus' FY 2019 drug-related activities falls below the reporting threshold of \$50 million, and the submissions included limited reports that provided selected information of FY 2019 drug-related obligations and performance measures. While responsive information was provided, the alternative report did not fully comply with reporting requirements of Section 10 of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews. ONDCP will work with the agencies in complying with the requirements of the Circular for the FY 2020 Accounting and Performance Report.

**BIA**: BIA provided an alternative report as its prior year obligations for drug control activities fell below \$50 million. Responsive information was provided, but BIA did not provide management

assertions for the DAS. ONDCP will work with BIA in complying with the requirements of the Circular for the FY 2020 Accounting and Performance Report.

**BLM**: BLM provided an alternative report as its prior year obligations for drug control activities fall below \$50 million. Responsive information was provided but BIA did not provide a complete DAS. ONDCP will work with BLM in complying with the requirements of the Circular for the FY 2020 Accounting and Performance Report.

**NPS**: NPS submitted an alternative DAS since its prior year obligations for drug control activities fall below the ONDCP Circular's threshold of \$50 million. Responsive information was provided but the NPS provided a partial DAS and did not submit a PSR. ONDCP will work with the NPS in complying with the requirements of the Circular for the FY 2020 Accounting and Performance Report.

### **Department of Justice**

The Department of Justice's (DOJ) DAS and PSR (Tab I) includes separate reports for the Assets Forfeiture Fund (AFF), Criminal Division (CRM), Drug Enforcement Administration (DEA), Federal Bureau of Prisons (BOP), Office of Justice Programs (OJP), Offices of the United States Attorneys (USA), Organized Crime Drug Enforcement Task Forces (OCDETF), and the United States Marshals Service (USMS).

AFF: The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019, and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). An Independent Auditors' Report noted one material weakness in the AFF/SADF's internal controls related to improvements needed in the controls over reporting budget related information presented in financial statement notes. Specifically, the auditors noted that improvements are needed in financial reporting processes, including documenting the specific requirements for the supervisory review of the AFF/SADF financial statements, and reviewing financial statement amounts and disclosures to ensure they agree to the relevant crosswalks to financial statements. In addition, the audit noted there is a need to implement effective risk assessment controls over new financial reporting requirements. Asset Forfeiture Management Staff (AFMS) noted that the underlying transactions supporting the principal financial statements were complete and accurate and provided a sound basis for decision-making by management and the public who rely upon the financial information. Regarding the review of financial statements, AFMS and Justice Management Division Finance Staff will update procedures and revise edit checks used during Financial Statements Package management reviews. However, this did not affect the OIG's opinion on AFF's FY 2018 drug control obligations, who found no material weaknesses, and therefore AFF is assessed a rating of "pass."

**CRM:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). A consolidated audit of DOJ Offices, Boards and Divisions, which includes CRM, reported one material weakness which noted that the emphasis placed on the Department's financial statement compilation and review processes had not achieved the level of rigor that is necessary to prepare timely and accurate financial statements in accordance with generally accepted accounting principles, and OMB Circular No. A-136, *Financial Reporting Requirements*. CRM did not contribute directly to the material weakness identified above and the

audit's findings found it did not impair CRM's ability to report complete and accurate obligation data in the FY 2019 Table of Drug Control Obligations. CRM is assessed a rating of "pass."

**DEA:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). DEA was included in a DOJ consolidated audit which reported one material weakness which noted that the emphasis placed on the Department's financial statement compilation and review processes had not achieved the level of rigor that is necessary to prepare timely and accurate financial statements in accordance with generally accepted accounting principles, and OMB Circular No. A-136, *Financial Reporting Requirements*. DEA did not contribute directly to the material weakness and the audit's findings found it did not impair DEA's ability to report complete and accurate obligation data in the FY 2019 Table of Drug Control Obligations. DEA is assessed a rating of "pass."

**BOP:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). BOP is assessed a rating of "pass."

**OJP:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). OJP is assessed a rating of "pass."

**USA:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). A DOJ consolidated audit noted one material weakness noting that the emphasis placed on the Department's financial statement compilation and review processes had not achieved the level of rigor that is necessary to prepare timely and accurate financial statements in accordance with generally accepted accounting principles, and OMB Circular No. A-136. USAOs did not contribute directly to the material weakness identified above and the audit's findings found it did not impair USAOs ability to report complete and accurate obligation data in the FY 2019 Table of Drug Control Obligations. USA is assessed a rating of "pass."

**OCDETF:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). OCDETF is assessed a rating of "pass."

**USMS:** The DOJ OIG identified no material weaknesses in the DAS or the PSR for the fiscal year ended September 30, 2019 and found them to satisfy all requirements established by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). USMS is assessed a rating of "pass."

## <u>Department of Labor</u>

The Department of Labor's Employment and Training Administration (ETA) and Office of Workers' Compensation Programs (OWCP) submitted an FY 2019 DAS and a PSR (Tab J) to ONDCP as required by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). Labor is assessed a rating of "pass."

### <u>Department of State and Other International Programs</u>

Department of State Bureau of International Narcotics and Law Enforcement (INL) and the United States Agency for International Development (USAID) each provided a DAS and PSR (Tab K).

**INL:** INL submitted FY 2019 DAS and PSR as required by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). While responsive information was provided, the submission did not fully comply with reporting requirements; the submission did not provide management assertions signed by the Chief Financial Officer or other accountable senior executive. ONDCP will work with INL in complying with the requirements of the Circular for the FY 2020 Accounting and Performance Report.

**USAID:** The FY 2019 DAS and PSR was submitted as required by 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). USAID was assessed as a "pass."

## **Department of Transportation**

The Department of Transportation's DAS includes separate reports (Tab L) for the Federal Aviation Administration (FAA) and the National Highway Traffic Safety Administration (NHTSA).

**FAA:** The OIG attested that the FAA DAS and management assertions complied with the ONDCP established guidance. No material weaknesses were found. FAA also submitted a PSR, which included the required performance measures, targets, results, and management attestations. Based on their review, nothing came to the attention of the OIG that caused them to believe that management's assertions contained in the PSR were not fairly stated in all material respects. FAA is assessed a rating of "pass."

**NHTSA:** The OIG attested that the NHTSA DAS and management assertions complied with the ONDCP established guidance. No material weaknesses were found. NHTSA also submitted a PSR, which included the required performance measures, targets, results, and management attestations. Based on their review, nothing came to the attention of the OIG that caused them to believe that management's assertions contained in the PSR were not fairly stated in all material respects. NHTSA is assessed a rating of "pass."

## **Department of the Treasury**

The Department of the Treasury's Internal Revenue Service (IRS) submitted an FY 2019 DAS and a PSR (Tab M) to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the Inspector General opted to not conduct an attestation review for FY 2019. IRS is assessed a rating of "pass."

## **Department of Veterans Affairs**

The Department of Veterans Affairs (VA), Veterans Health Administration's (VHA) submitted an FY 2019 DAS and a PSR (Tab N) to ONDCP as part of its requirement under 21 U.S.C. § 1704(d)(1) and 21 U.S.C. § 1703(d)(7). Consistent with the requirements of 21 U.S.C. § 1704(d)(1), the IG opted to not conduct an attestation review for FY 2019. A Department wide audit found material weaknesses for VA overall regarding noncompliance with laws and regulations. It does not appear that this finding has an impact on drug control budget reporting. The VHA is assessed a rating of "pass."

## Tab A

### **DEPARTMENT OF AGRICULTURE**



## **Resource Summary**

Drug Resources by Function	FY 2017	FY2018	FY 2019
Investigations	\$11.300	\$13.800	\$13.800
Intelligence	0.200	0.200	0.200
State and Local Assistance	0.600	.600	.600
Research and Development	0.000	0.000	0.000
Prosecution	0.200	.200	.200
Prevention	0.000	0.000	0.000
Total	\$12,300	\$14.800	\$14.800
Drug Resources by Decision Unit			
Law Enforcement Agency Support	\$12,400	\$14,800	\$14.800
<b>Demand Reduction</b>	0.000	0.000	0.000
Total	\$12.400	\$14.800	\$14.800
Drug Resources Personnel Summary			
Total FTEs	56	56	56
Information			
<b>Total Agency Budget in Billions</b>	\$5.9	4.6	4.6
Drug Resources as a Percentage	0.3%	0.3%	0.3%

**Budget Authority in Millions** 

#### **PROGRAM SUMMARY**

#### **MISSION**

The mission of the United States Department of Agriculture, Forest Service (FS) is to sustain the health, diversity, and productivity of National Forest System (NFS) lands 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 function is to provide public and employee safety, resource protection, enforcement of U.S. Criminal Law, and enforcement expertise to 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 primarily in rural areas of the United States and its territories. 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 security and health and safety risks to the visiting public, employees, and threaten the continued viability of the Nation's natural resources.

#### **METHODOLOGY**

The Forest Service budget structure includes an LEI budget line item within the NFS appropriation. Within the LEI budget line item, funds allocated for drug enforcement activities are apportioned based on an analysis of the workload. Calculations are made that take an accounting all law enforcement duties and responsibilities related to the mission of the Forest Service.

#### **BUDGET SUMMARY**

The FY 2020 request is \$14.8 million, \$2.6 million above the FY 2018 Annualized Continuing Resolution (CR) level.

#### **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 NFS 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, the Forest Service, LEI continue 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 NFS lands. The Forest Service also continues to work with our Federal partners to reduce cross-border smuggling activities on NFS lands to ensure the safety and security of the visiting public and employees on those lands contiguous with the international border.

Over the past five years an alarming trend has developed in TCO marijuana cultivation operations. These organizations are smuggling into the United States banned and or restricted pesticides for use in their marijuana growing operations. This trend was observed initially as occurring in a few sparse marijuana grow sites where LEI personnel would infrequently discover small quantities of these banned or restricted substances. As of 2019 these hazardous materials are ubiquitous in marijuana grow sites within California and are beginning to be discovered on public lands outside of California as well. As these hazardous materials became more prevalent in marijuana growing operations LEI began a concentrated effort to rehabilitate and recover these sites. Continuing in FY 2020, LEI will further concentrate on reclamation of these sites, by engaging in targeted reclamation and rehabilitation based on resource availability.

#### **Performance Introduction**

The information and analysis in this summary report reflects data and outcomes based on analysis of counter drug activities of The United States Forest Service, LEI. This analysis includes measures derived from the number of marijuana plants eradicated, marijuana cultivation sites dismantled and rehabilitated, and percentage of drug related incidents per 100,000 forest visitors. Also, included in this summary; performance measures, targets, and achievements for the years 2017 through 2019 as described in the following tables. These measures provide meaningful assessments of performance related to marijuana control activities on NFS lands conducted by LEI. Data compiled and reported in this summary is from LEI's Law Enforcement and Investigations Management Attainment Reporting System (LEIMARS), internal evaluations, and other agency information.

#### **Performance Measures:**

#### **Drug Cases Referred for Adjudication**

Percent of Drug Cases Referred for Adjudication							
Fiscal Year 2017 2018 2019							
Target	30.0	31.0	32				
Actual							

#### Description

Drug Cases Referred for Adjudication quantifies the percentage of assigned drug cases referred for prosecution that resulted in sanctions against defendants that were cultivating marijuana on NFS lands. This serves as an indicator of successful investigations and reflects significant effort expended by LEI to combat illicit drug production and associated unlawful occupancy of public lands. Efforts and initiatives to *Eradicate Marijuana Cultivation* are a priority of the *Disrupt Domestic Drug Trafficking and Production* section of the National Drug Control Strategy.

#### **FY 2019 Performance Targets**

For FY 2019 LEI previously established a bench mark of 32% of drug cases referred for prosecution. Successful prosecution is measured by cases referred for prosecution resulting in sanctions against the defendant. Sanctions can be restitution, fines or imprisonment or any combination thereof.

#### **FY 19 Actual Performance Results**

In FY 2019 LEI arrested 53 persons and opened 79 marijuana cultivation investigations resulting in 20 closed/referred cases for prosecution. LEI further closed 173 prior year(s) cases, some of these long-term investigations exceeding five years resulting in a 37% closure/referred for prosecution rate for continued cases.

LEI estimates approximately 25% percent of assigned drug cases referred for adjudication in FY 2019 resulted in sanctions against the defendant, and the identified target for FY19 was 32%. LEI believes that this downturn for FY 2019 in statistical information is due to a variety factors. Factors such as an excessively late snow season with heavy snow pack in Northern California prevented access and a proper growing season and a movement of cultivation onto private lands due to unregulated – under regulated growing operations in California's "legal" marijuana trade.

#### Marijuana Plants Eradicated

Marijuana Plants Eradicated						
Fiscal Year 2017 2018 2019						
Actual 1,487,509 526,330 353,057						

#### Description

Marijuana plant eradication is the removal and or destruction of marijuana plants accomplished by a variety of means such as the physical removal of the plants from NFS lands or the cutting and destruction of plants in place as appropriate.

#### **FY 19 Actual Performance Results**

In FY 2019 353,057 marijuana plants were eradicated from NFS lands compared to 526,330 eradicated in FY 2018. This represents an approximate 33% decrease in eradicated plants from FY18. LEI believes several factors contributed to this decrease. California experienced a wetter winter with an unusually late and heavy snow pack that denied a large portion of the northern part of the state to marijuana cultivation. Marijuana growers have moved from NFS land to private lands due to increased law enforcement pressure over the past several years and "Legalization" has created a situation where it is advantageous to grow on private lands due to lack of regulatory enforcement, easy access to domestic or municipal water sources in drought prone California, and ease of "farm" to market access is more readily realized close to market centers as opposed to the difficult and remote locations of grows located on NFS lands. Additionally, LEI's ability to effectively utilize State and local cooperators in combating marijuana cultivation has significantly reduced due to State and local resources being committed to addressing regulatory concerns related to "legal" growing activities on private lands. The reduction of these resources negatively impacts LEI's ability to detect and interdict marijuana growing operations on NFS lands.

Legalization in the various states, and an increasing market demand for marijuana creates a situation where LEI believes that as municipalities begin to regulate "legalized" marijuana, production of this illicit crop will in turn increase on NFS lands. In Southern California where counties are stepping up regulatory enforcement of marijuana growing on private lands there is anecdotal indications for this case as more marijuana was eradicated in the southern part of the state in FY 2019.

An additional point of note is that LEI seized 26,486 lbs of processed marijuana during FY 2019 enforcement and investigations operations. This represents significant investigative and enforcement work related to marijuana production on NFS lands but not necessarily seized at marijuana grow site operations.

#### Marijuana Cultivation Sites Dismantled

Marijuana Cultivation Sites Dismantled						
Fiscal Year 2017 2018 2019						
Actual 293 183 240						

#### Description

Dismantled: the removal of marijuana plants and infrastructure necessary to maintain marijuana cultivation.

Reclamation: the removal of hazardous materials from marijuana cultivation sites and the restoration of the site to a natural state.

#### **FY 19 Actual Performance Results**

In FY 2019, LEI dismantled and reclaimed 240 marijuana cultivation sites on NFS lands compared to 183 in FY 2018 a 24% increase. Some of these sites were hold over sites from prior years that had not been previously reclamated for a variety of reason including resource availability.

As noted previously a significant trend in marijuana cultivation has emerged that impairs the Forest Service's ability to raid and rehabilitate these sites. Marijuana growers are routinely utilizing banned pesticides in the carbamate class, in particular Carbofuran (tradename Furadan) to treat their illicit crop. The presence of these and other highly toxic chemicals severely limit LEI's ability to raid and rehabilitate these sites. In FY19 LEI in R5 encountered hazardous materials in nearly every site that was entered. In some instances the contamination levels were so extensive LEI ceased eradication and rehabilitation efforts to reassess and consult hazardous materials professionals. In a few instances there were a number of LEI personnel exposed to these chemicals that resulted in referral for medical treatment.

Reclamation and cleanup efforts resulted in the removal of 24.58 tons of trash; 261.51 miles of irrigation pipe, an approximately 55% increase over FY18; 19.3 tons of chemical fertilizers, an approximate 68% increase over FY18; and approximately 6.19 gallons of restricted or banned use poisons, poisons indiscriminately kill wildlife, and pose a significant threat to the safety of law enforcement and other personnel at grow sites. Also during these operations, 68 man-made dams/reservoirs were dismantled and 355 propane tanks and 73 car batteries were removed, as well as 132 propane tanks.

#### Percent of Drug Related Incidents on NFS Lands per 100,000 Visitors

Percent of Drug Related Incidents on NFS Lands					
Fiscal Year 2017 2018 2019					
Actual	0.019	0.10	.049		

In FY 2019, there were 0.049 percent drug related incidents on NFS lands per 100,000 forest visitors compared to 0.10 percent in FY 2018. LEI believes that this minor statistical decrease is consistent with the weather related decrease in available marijuana on NFS lands and an enhanced enforcement posture related to drug crimes.

#### **Quality of Performance Data**

This performance data is derived from the Law Enforcement and Investigations Management Attainment Reporting System (LEIMARS). The LEIMARS system encompasses data provided by field agents and cooperators and produces quantitative reports from case information entered into the case tracking system and controlled substance activity report section. LEI conducts multiple samples and maintains strict reporting requirements to ensure the data is reliable and accurate.

Note: The LEIMARS system has recently been updated and during the update some of the reporting functions have experienced a number of issues regarding data reliability. Work is currently under way to correct these deficiencies. LEI believes that statistical information reflected in this report is as accurate as is possible and that any revision to the data most likely will reflect a statistical increase.

#### **Additional Information**

The above data represents significant and measurable impacts to NFS lands, LEI operations and state and local cooperators. Based on resource availability LEI will continue to provide personnel, support, and leadership necessary to protect natural resources from the harmful effects of drug production and trafficking on public lands. LEI continues to support the *National Drug Control Strategy*, and will to the best of its ability continue as stewards of the land to protect these lands for current users and for future generations.

#### **Management Assertions**

#### 1. Performance reporting system is appropriate and applied.

Forest Service, LEI utilizes as system of records known as LEIMARS to capture statistical information accurately and the system was applied properly to generate the performance data.

#### 2. Explanations for not meeting performance targets are reasonable.

LEI exceeded a number of prior year data points in the area of reclamation, however; in a number of instances LEI did not meet the expected targets as established. LEI believes as previously stated that weather and "legalization" played significant roles in this. LEI further believes that as municipalities in California begin to regulate the "legal" marijuana industry as is occurring in the southern part of the state marijuana production will move back onto public lands as was observed in Southern California in FY 2019.

#### 3. Methodology to establish performance targets is reasonable and applied.

The methodology described to establish current and future performance targets is reasonable.

#### 4. Adequate performance measures exist for all significant drug control activities.

LEI established additional performance measures. These additional measures provide a broader means of assessing performance related to all significant drug control activities conducted by the Forest Service.

**5. General. 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 request – allocation of \$14.8 million, a more in depth analysis beyond this document creates an unreasonable burden and hereby submits this report and analysis.

Tracy S. Perry

Director

U.S. Forest Service

Law Enforcement & Investigations

January 13, 2020

Date

## U.S. Department of Agriculture Office of Rural Development Drug Mitigation Programs

#### **MISSION**

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

- 1. Rural Business-Cooperative Service (RBS):
  - Seventeen RBS programs provide loans, grants, and loan guarantees for purposes that include, but are not limited to: supporting business growth and development, improving the effectiveness of programs servicing cooperatives, and assisting with creating wealth and supporting rural America.
- 2. Rural Housing Service (RHS):
  - Eighteen RHS programs provide loans, grants, and loan guarantees for purposes that include, but are not limited to: building or improving essential community facilities, providing affordable rental housing for very-low to moderate-income residents, and enabling low- and moderate-income applicants to purchase their own homes.
- 3. Rural Utilities Service (RUS):
  - Twenty-five RUS programs provide loans, grants, and loan guarantees for purposes that include, but are not limited to: developing or improving infrastructure such as solid waste and storm drainage facilities, maintenance, expansion, and modernization of rural electric infrastructure, and establishing or improving rural Broadband connectivity.

#### **BACKGROUND**

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

- RHS: <u>Community Facilities (CF) Program</u>: Provides funding to construct, expand, or improve essential community facilities such as, but not limited to: hospitals, medical clinics, fire and rescue stations, public buildings, and other community-based initiatives.
- RUS: <u>Distance Learning and Telemedicine (DLT) Program</u>: Funds are provided to help rural communities overcome the effects of remoteness and low population density by linking teachers and medical service providers in one area to students and patients in another.

- 3. **RUS:** <u>DLT Opioid Epidemic</u>: Funds are provided to help strengthen local capacity to address opioid prevention, treatment, and recovery.
  - In the Consolidated Appropriations Act of 2018, (<u>Pub. L. 115-141, §775</u>), Congress appropriated \$20 million "...to remain available until expended, for an additional amount for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C 950aaa et seq., to help address the opioid epidemic in rural America..."
- 4. **RUS:** Solid Waste Management Grant Program (SWMGP): This program reduces or eliminates pollution of water resources by providing funding for organizations that provide technical assistance or training to improve the planning and management of solid waste sites.
- 5. **RHS/CF:** <u>Tribal College Initiative Grants</u>: This program provides funding to 1994 Land Grant Institutions (Tribal Colleges) for infrastructure improvements, development of essential community facilities, and to purchase equipment. Eligible projects include, but are not limited to, education and cultural projects and education equipment.

### PROGRAM PERFORMANCE/DATA

The following tables provides retrospective and prospective data for programs that historically have support this effort for fiscal years 2018 to 2021. Tribal College information is included with CF grants.

The following table provides program performance/data relative to opioid-related project funding based on projected and achieved goals:

	Budget Authority (\$ in Millions)			
	FY 2019	FY 2020	FY 2021	
	Actual	Estimate	Budget	
Drug Resources by Function				
Prevention	\$0.00	\$0.00	\$0.00	
Treatment	\$16.00	\$0.00	\$6.20	
Total Drug Resources by Function	\$16.00	\$0.00	\$6.20	
Drug Resources by Decision Unit				
Distance Learning and Telemedicine Program	\$16.00	n/a	\$6.20	
Solid Waste Management Grant Program	0	n/a	0	
Community Facilities Direct/Guaranteed Loan Program (Loan Level)	0	n/a	n/a	
Community Facilities Grant Program	0	0	0	
Total Drug Resources by Decision Unit	\$16.00	\$0.00	\$6.20	
Drug Resources Personnel Summary				
Total FTEs (direct only)	NA	NA	NA	
Drug Resources as a Percent of Budget				
Total Agency Budget (in Billions)	\$40.21	\$40.47	38.984	
Drug Resources Percentage	0.00%	0.00%	0.00%	

The total amounts in the above table represent only the set aside amounts provided to Rural Development through appropriations and what was requested in the President's Budget. An estimate of \$73.2 million in indirect funding has been provided as an attachment with this report.

## Selected Measures of Program Performance (Dollars in Millions)

Selected Measures of Performance	FY19 Achieved	FY20 Target	FY21 Target
Community Facilities Funding (\$ in millions)	\$9	n/a	n/a
DLT-funded projects that supported treatment and/or			
prevention of OUD	51	n/a	n/a
SWM grants used to eliminate excess opioids prescriptions	2.637	n/a	n/a
Tribal Colleges Grants that assisted with Opioids	n/a	n/a	n/a

#### **SUCCESS STORIES**

The Agency's efforts to align RD programs with projects that address opioid and substance use disorders are illustrated by the following FY19 projects in Arizona, Illinois, and Missouri:

#### **ARIZONA**

- \$5,000 CF Grant
- \$59,000 CF Grant
- \$400,000 CF Direct Loan

#### Facility purchase and upgrade – project in Yavapai County – Transitional Recovery Housing:

This RD investment will be used to purchase a four-plex apartment building and make improvements to the property. Each apartment has two bedrooms and will increase the housing capacity for the male clients from 9 to 16. The clients are, or will be enrolled in the Steps To Recovery Homes sober living program. This six-month program provides a safe environment and services to individuals who are recovering from addiction, specifically opioid addiction. The program offers a place to live, a foundation of structure and accountability aligned with communication, life coaching, job skill coaching, jobs, and provides daily necessities such as clothes, furniture, transportation, toiletries, phone, internet, cable, etc. The improvements to be made to the property include roof replacement, painting each apartment, flooring replacement, railing replacement on porches, construction of a secure fence around the facility, heating and cooling system repairs, and the purchase and installation of solar panels. No other organization provides these services in the service-areas of Cottonwood, Camp Verde, Sedona, or Rimrock (all within Yavapai County, Arizona).

#### **ILLINOIS**

- \$300,000 CF Grant
- \$326,456 DLT Grant

**Jersey Community Hospital**: The Jersey Community Hospital (JCH) Medical Group currently has eight locations (four of which are located in Jerseyville, IL, and one in Roodhouse, IL). RD is providing CF program funds for:

- 1. The purchase/renovation of an additional facility in Jerseyville for use as the "Opioid Treatment Program Specialty Care and Administration" building;
- 2. The purchase/renovation of an additional facility in Roodhouse for use as a rural health clinic; and,
- 3. Establishment of an interactive telemedicine system at seven Illinois sites, served by 1 MO hub.

The goal for these projects is to provide treatment, counseling, education, and outreach to combat the opioid crisis, beginning with medically assisted treatment (MAT) and interventional pain management. Once the first rural health clinic in Roodhouse, IL, is established, the hospital plans to expand to several other outlying areas. These locations will include community rooms for Alcoholic and Narcotics Anonymous and other support group meetings; more community education and remote provider training so that doctors can spend more time in the community – and open the door for additional collaboration, such as training for teachers and others who facilitate entry into the treatment system.

#### **MISSOURI**

• \$55,000 CF Grant

**Crawford County K9 Unit:** This RD investment will be used to purchase a police K9 unit and related equipment to aid in the search and seizure of illegal narcotics. This equipment consists of:

- 1. A patrol unit fully equipped for a K9;
- 2. A TrueNarc handheld narcotics analyzer;
- 3. An articulating inspection scope;
- 4. A K9 kennel, house and pad; and,
- 5. A Toughbook laptop and desktop computers.

Crawford County has a per capita drug overdose rate which is 40% higher than the state rate. The opioid crisis is decimating the city of Cuba and Crawford County. This funding will purchase much needed equipment to aid in curbing drug abuse in this small rural community.

Digitally signed by ANTHONY BAINBRIDGE

Date: 2020.01.30 06:55:38

-06'00'

Tony Bainbridge

Chief Financial Officer

Rural Development Business Center

United States Department of Agriculture

## RD FY 2019 Opioid Related Obligations

Agency	Program Area	Population Count*	Obligation Amount	Obligation #
RBS	Business & Industry Guarantee (B&I)	36,290	\$17,418,250	4
RBS	Delta Health Care Grant	84,197	\$2,963,432	5
RBS	Intermediary Relending Program (IRP)	not reported	\$1,000,000	1
RBS	Rural Business Development Grant (RBDG)**	132,893	\$1,197,395	16
RBS	Rural Energy for America Program (REAP)	4,339,367	\$189,595	3
RBS	Rural Economic Development Loan/Grant (REDLG)	2,456	\$1,000,000	1
RBS	Rural Microentrepreneur Assistance Program (RMAP)	not reported	\$500,000	1
RHS	Community Facilities Direct Loans & Grants	355,160	\$43,219,290	47
RHS	Rural Community Development Initiative (RCDI)****	127,289	\$1,332,540	11
RUS	Distance Learning & Telemedicine (DLT) Opioid Grants	not reported	\$2,250,397	9
RUS	Distance Learning & Telemedicine (DLT) Grants	not reported	\$500,104	3
RUS	Solid Waste Management Grants	not reported	\$3,891,318	25
Total		5,077,652	\$75,462,321	126

<sup>\*</sup> Not consistently reported

<sup>\*\*</sup> RBDG program listed as RBOG and RBEG

<sup>\*\*\*</sup> CF Projects may include funding for other health related services inconjunction with opioid treatment

<sup>\*\*\*\*</sup>RCDI program listed as Economic Impact Initiative Grants in the data warehouse

## Tab B



January 30, 2020

James W. Carroll, Jr.
Director
Office of National Drug Control Policy
750 1J<sup>lh</sup> Street, NW
Washington, DC 20503

Dear Mr. Carroll:

The Court Services and Offender Supervision Agency (CSOSA) is required by Office of National Drug Control Policy (ONDCP) Circular 'National Drug Control Program Agency Compliance Reviews', dated October 22, 2019, to present information and assertions concerning the budget formulation and accounting of funds expended on ONDCP activities and performance associated with these activities.

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

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

Rele S.

Richard S. Tischner

Director

Enclosures

CSOSA Community Supervision Program Budget and Accounting Submission / Assertions: dated January 30, 2020

CSOSA Community Supervision Program Performance Reporting Submission/ Assertions; dated January 30, 2020

CSOSA Pretrial Services Agency for the District of Columbia Budget,

Accounting and Performance Reporting Submission/ Assertions; dated January 28,2020



January 30, 2020

James W. Carroll, Jr.
Director
Office of National Drug Control Policy
750 17<sup>th</sup> Street, NW
Washington, DC

Dear Mr. Carroll:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, I make the following assertions regarding 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 2019 drug budget obligations reported by CSP to ONDCP as part of CSOSA's FY 2021 Budget and Performance Summary are der ved from actual obligations from CSP's accounting system of record (Oracle Federal Financials), consistent with the drug budget methodology discussed below.

FY 2021 Drug Budget and Performance Summary (January 10, 2020)

	Budget Authority (In Miliions)			
	FY 2019 Actual	FY 2020 Enacted	FY 2021 PB	
Community Supervision Program				
Prevention	\$7.359	\$7.811	\$7.807	
Treatment	\$28.065	\$28.390	\$29.758	
TOTAL	\$35.424	\$36.201	\$37.564	

#### Drug Control Methodology:

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

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

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

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

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

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

**Strategic Goal 3:** Strengthen and Promote Accountability by Ensuring Offender Compliance and Cultivating a Culture of Continuous Measl!lrement 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.

<u>Drug Budget Function - Prevention (Drug Testing):</u> 10 percent of CSP resources allocated to Strategic Goal 3 to account for offender Drug Testing (Prevent10n) resources.

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

<u>Drug Budget Function - Treatment:</u> 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 alloc'ted to Strategic Goal 3 are related to offenders receiving interventions prioritized substance use needs and that offenders remain engaged in ubstance-abuse treatment programs.

I assert that the drug methodology, financial systems and data sed to calculate obligations of prior year (FY 2019) Drug Budget resources by function were reasonable and accurate in accordance with Section 7 of the ONCDP Circqlar: Budget Formulation. I also assert that the above methodology was actually applied to ctual financial data from the Agency's financial system.

#### Material Weaknesses and Other Findings:

CSOSA received an "unmodified" (clean) opinion on our FY 2019 financial statements by our independent auditing firm Williams, Adley, Jnd Company LLP-DC. The independent auditor identified no material control weaknesses as part of the FY 2019. audit.

#### Reprogrammings or Transfers:

CSOSA's FY 2019 Enacted (P.L. 116-6 dated 2/15/2019) contains reprogramming criteria and thresholds. In FY 2019, there were no reprogrammings or transfers that met or exceeded those contained in FY 2019 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 2019 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 9, 2019 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 2021 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 0MB as part of CSP's FY 2021 budget request.

CSP Fall Drug Budget (September 9, 2019)

		Budget Authority (In Millions)				
		FY 2019 Projected Actual	FY 2020 PB	FY 2021 OMB Request		
Community Super	vision Program					
	Prevention	\$7.371	\$7.285	\$7.409		
	Treatment	\$28.731	\$28.390	\$28.860		
	TOTAL	\$36.102	\$35.675	\$36.269		

Please let me know if you need additional information.

Sincerely,

PAUL GIRARDO Digitally signed by PAUL

GIRARDO

Date: 2020.01.30 10:21:11-05'00'

Paul Girardo Chief Financial Officer



#### MEMORANDUM

TO:

James W. Carroll, Jr.

Director

Office of National Drug Control Policy

FROM: David Huffer, PhD

Associate Director, Office of Research and Evaluation Court Services and Offender Supervision Agency HLFFER Digitally signed by DAVID HUFFER Date: 2020.01.30 15:04:45 -05'00'

DATE: January 30, 2020

SUBJECT: CSP Performance Summary Report and Assertions

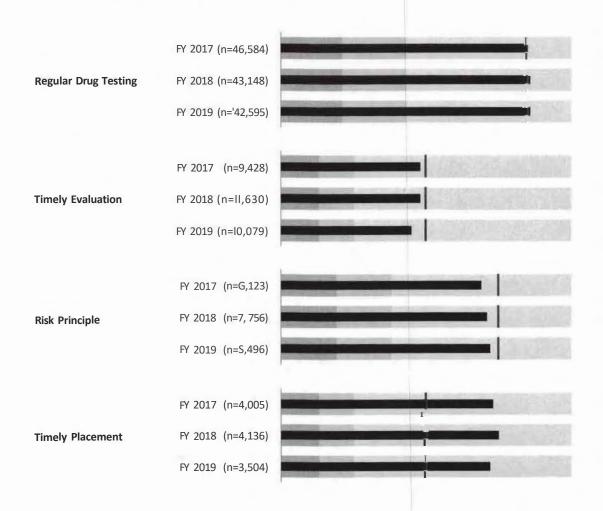
The mission of the Court Services and Offender Supervision Agency for the District of Columbia (CSOSA) is to increase public safety, prevent crime, reduce recidivism, and support the fair administration of justice in close collaboration with the District of Columbia community. The CSOSA appropriation comprises two components: the Community Supervision Program (CSP) and the Pretrial Services Agency for the District of Columbia (PSA).

CSOSA's CSP supervises individuals released by the U.S. Parole Commission on parole or supervised release, those sentenced to probation by the Superior Court of the District of Columbia, as well as a small set of deferred sentencing agreement and civil protection order cases.

The CSP strategy emphasizes public safety, successful reentry of offenders into the community, and effective supervision through an integrated system of comprehensive risk and needs assessment, close supervision, routine drug testing, treatment and support services, and graduated sanctions and incentives. CSP also develops and provides the Courts and the U.S. Parole Commission with critical and timely information for probation and parole decisions.

Many CSP clients are a high risk to public safety, have significant needs, and face many challenges to successfully completing supervision. Among these challenges is illicit substance use. In FY 2019, approximately 83 percent of the offenders beginning CSP supervision self-reported a history of illicit substance use. Further, of the 4,002 offenders tested for illicit substances in September 2019, 44 percent tested positive for one or more of 11 tested substances. <sup>1</sup>

Drug testing and treatment are at the core of CSP's approach to addressing client needs regarding illicit substance use, and several performance goals have been set forth in CSOSA's Strategic Plan to address these items. Figure 1 shows CSP's progress towards achieving these goals during FYs 2017 through 2019. <sup>2</sup> The blue bars depict progress on the targets for each goal in relation to the red target line. The shades of gray represent areas of low, medium and high performance.



<sup>&</sup>lt;sup>1</sup>The Pretrial Services Agency {PSA) tests samples obtained by CSP from offenders. Each sample may be tested for up to eleven substances [Marijuana, PCP, Opiates, Methadone, Cocaine, Amphetamines, Alcohol, Creatinine, Heroin, Ethyl Glucuronide (Etg), and Synthetic Cannabinoids].

<sup>2</sup>Additional metrics for FY 2018-2022 are under development and being tested to ensure accuracy and are expected to be ready for reporting in our upcoming performance year.

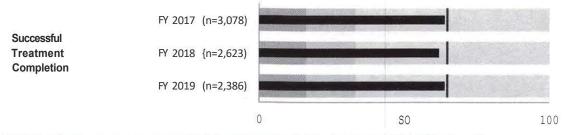


Figure 1 CSP performance on goals related to drug testing and treatment, FYs 2017-2019. Overall, estimates for these goals include substance abuse treatment and treatment readiness programs, as well as programs for other supportive services. Detailed data on the substance abuse and treatment readiness programs included in each goal are displayed in Appendix A.

CSP monitors offender compliance with requirements set by the releasing authority to abstain from drug use and assesses offender need for substance abuse treatment. CSP policy also defines the schedule under which eligible offenders are drug-tested. Offenders can become ineligible for testing (other than initial testing at intake) for a variety of administrative reasons, including a change from active to warrant status, case transfer from DC to another jurisdiction, rearrests, and admission to substance abuse treatment. The policy includes spot testing for offenders who are on minimum supervision, as well as those who do not have histories of drug use and have established a record of negative tests.

CSP places offenders who abuse illicit substances into treatment on a risk-based, priority basis. Sixty-two percent of offenders who started substance abuse treatment or treatment readiness programs satisfactorily completed their programs in FY 2019 (see Appendix A, Figure 2, Successful Treatment Completion). In FY 2019, CSOSA's RSC provided high-risk offenders and pretrial defendants with a 28-42 day intensive assessment and treatment readiness program in a residential setting. The RSC program is specifically tailored for offenders/defendants with persistent substance abuse, long periods of incarceration and little outside support. Of the high-risk offenders who were discharged from the RSC in FY 2019, 67 percent satisfactorily completed the program<sup>3</sup> (see Appendix A, Figure 2, Successful Treatment Completion). Relatively low treatment completion rates for offenders participating in aftercare, transitional housing and outpatient treatment contributed to CSP not meeting its FY 2019 performance target (see Appendix A, Figure 2, Successful Treatment Completion [SA Tx modality]).

In FY 2019, CSP completed an evaluation of the RSC and our substance abuse treatment programs. Findings revealed that offenders going through both the RSC pre-treatment and subsequent substance abuse treatment programs were more likely to have no positive drug tests during the follow-up period relative to a non-

<sup>&</sup>lt;sup>3</sup> Pretrial defendants excluded from reporting

treatment comparison group. The needs of CSP's offender po i ation have evolved and become more complex. In addition to substance aj se, many offenders present with mental health and cognitive disorders. In a result, Agency leadership is restructuring the RSC from a treatment-readiness program to a treatment program in FY 2020, with a focus on cognitive behavioral therapy and interventions.

Once offenders are referred for substance abuse treatment or treatment readiness by their community supervision officers, they are evaluated by treatment staff to determine programming [or plac ment] appropriateness. If deemed appropriate for intervention, it is also imperative that offenders are placed in treatment and support services in a timely manner. Two performance goals were de eloped and set forth in CSOSA's FY 2014-2018 Strategic Plan to address the timeliness in which evaluations and treatment placements occurred. In FY 2019, 55 percent of offenders referred to substance abuse treatment or treatment readiness programs received a formal evaluation of need in a timely manner, and 74 percent of treatment placements were made in a timely fashion (see Appendix A, Figure 2, Timely Evaluation and Timely Placement).

Additionally, due to limited resources, CSP attempts to focus its p ograms on the highest-need and highest-risk offenders. In FY 2019, 71 percent of substance abuse treatment and treatment readiness placements were made for offenders supervised at the highest risk levels (maximum and intensive; see Appendix A, Figure 2, Risk Principle).

#### **Assertions**

I make the following assertions regarding the Performance Sumtary Report for the Court Services and Offender Supervision Agency (CSOSA):

#### Performance reporting system is appropriate and applied

I assert the CSOSA has a system to capture performance information accurately and that system was properly applied to generate the performance data in accordance with the criteria listed in Section 7c of the Circular.

#### Explanations for not meeting performance targets are reasonable

I assert the explanation provided for failing to meet the perform nce targets and the recommendations concerning plans and schedules for meeting future targets or for revising targets or eliminating performance measures are reasonable in accordance with the criteria in Section 7c of the Circular.

# Methodology to establish performance targets is reasonable and consistently applied

I assert the methodology described above to establish performance targets for the current year is reasonable and consistently applied given past pJrformance and available resources in accordance with Section 7c of the Circular

#### Adequate performance measures exist for all significant drug d,ntrol activities

I assert that the CSOSA has established at least one acceptable performance measure for each Drug Control Budget Decision Unit identified in reports required by section 6a(I)(A) and that each performance measure reflects!the intended purpose of the relevant National Drug Control Program activity.

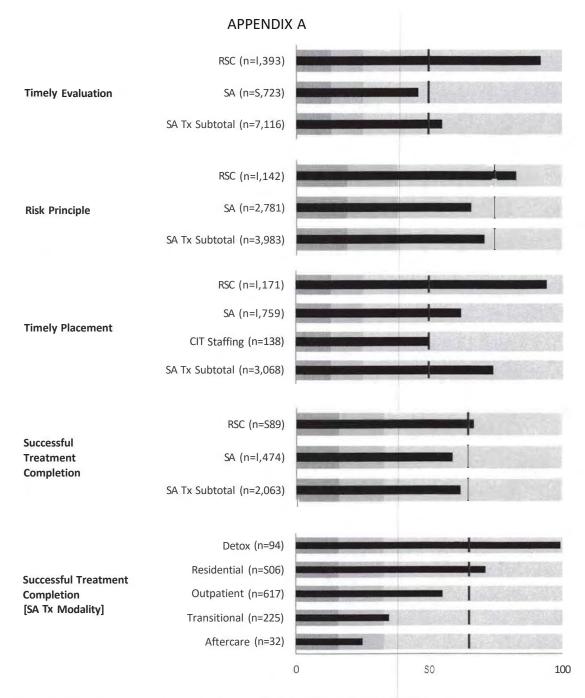


Figure 2. CSP performance on goals related to drug testing and treatment, by treatment type and drug treatment modality, FY 2019.

January 28, 2020

James W. Carroll, Jr.
Director
Office of National Drug Control Policy
750 17<sup>th</sup> Street, NW
Washington, DC 20503

Dear Mr. Carroll:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, I make the following assertions regarding the annual accounting of drug control resources and the Performance Summary Report for the Pretrial Services Agency for the District of Columbia (PSA) for fiscal year 2019. Full compliance with this Circular constitutes an unreasonable reporting burden for PSA.

PSA is an independent agency within the Court Services and Offender Supervision Agency (CSOSA) and is one of two programs (Decision Units) within the CSOSA appropriation.

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

During its more than 50 years of service to the Nation's Capital, PSA has earned a national reputation as a leader in the pretrial justice field. PSA employs proven, evidence-based practices to help judicial officers in the city's local and Federal courts make appropriate and effective bail decisions. The result for the District of Columbia community is smarter use of jail resources, enhanced public safety, and a fairer and more effective system of release and detention.

#### DETAILED ACCOUNTING SUBMISSION

#### **Table of Prior Year Drug Control Obligations**

PSA has two program areas related to its drug control mission - drug testing and substance use disorder' treatment. PSA's Drug Testing and Compliance Unit (DTCU) is responsible for the collection of urine and oral fluid samples and the Office of Forensic Toxicology Services (OFTS) provides forensic toxicology drug testing and analysis. Treatment services are provided by, or coordinated through, PSA's Treatment Program.

The CSOSA appropriation does not have specific line items or programs for drug control activities. PSA's drug testing and treatment activities correlate with ONDCP's prevention and treatment drug control functions, respectively. The following table highlights the FY 2019 drug control budgetary resources by drug control function.

	FY	2019 Actuals (in millions)
<b>Drug Resources by Drug C</b>	Control Function	
Prevention		\$11.596
Treatment		\$6.347
Total Drug Resource	es by Function	\$17.943
<b>Drug Resources Personnel</b>	Summary	
Total FTEs (direct	only)	109

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

PSA's Treatment Program includes the Superior Court Drug Intervention Program (Drug Court), the Specialized Supervision Unit (SSU), the Sanction Based Treatment Track (SBTT) and the Social Services and Assessment Center (SSAC). PSA's specialized treatment and supervision units offer defendants access to various levels of care, modalities, and interventions. Each unit provides centralized case management for defendants, with Drug Court also providing direct treatment services. This organizational structure facilitates specialized supervision practices and consistent responses to positive and problem behaviors, which lead to better interim outcomes for defendants.

<sup>&</sup>lt;sup>1</sup>American Psychiatric Association. (2013). *Diagnostic and Statistical Manual of Mental Disorders (DSM-5)*. Substance use disorder in DSM-5 combines DSM-IV categories of substance abuse and substance dependence into a single disorder measured on a continuum from mild to severe. <a href="https://www.dsm5.org">www.dsm5.org</a>.

#### **Drug Methodology**

The major cost elements for the drug testing program include labor e fpenses for DTCU and OFTS staff, recurring expenses for reagents and other laboratory supf.lies 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. Rtvenues from other agencies are netted against gross costs. The major cost elements for the Treatjent Program include direct labor expenses and contracted drug treatment services.

The basis for allocating PSA's budgetary resources is derived from PSA's Strategic Plan framework reported in the performance budget. PSA drug control reJources are allocated based on percentage of time spent performing activities associated with the following FY 2019 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 cdes.

#### Material Weaknesses or Other Findings

CSOSA received an unmodified (clean) opinion on the FY 2019 financial statements.

#### **Assertions**

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

The drug methodology used to calculate FY 2019 obligations is reas Jnable and accurate.

#### PERFORMANCE SUMMARY REPORT

#### **Performance Reporting**

Drug use is a proven contributor to pretrial misconduct. For example, in FY 2019, the rearrest rate for drug-using defendants was more than double those of non-us rs (21 % vs. 8%). Defendants with substance use disorders pose even greater risk of crifinality. Targeting druguse reduction has been a successful strategy in minimizing risk within this population.

PSA remains at the forefront of trend analysis and identification of eLerging drugs of abuse within the DC criminal justice population. As the patterns of substanbe use within the testing population have changed, PSA's testing program has evolved to keej pace with emerging trends. In FY 2018, PSA's OFTS conducted a study to determine trends in f ntanyl use among the DC criminal justice population. A sample population of 2,463 specimenslcollected over a four-month period from both the defendant and offender populations was tested tor fentanyl use. The study revealed a 7.56 percent positive rate among the PSA defendant surve llance population and a 4.84 percent positive rate among the lockup population. The study also revealed a 5.69 percent positive rate among CSOSA offenders.

The study's results have clear implications for drug testing in DC's criminal justice population, confirming the beginning of an upward trend that requires a deliberate plan to contain it. It is entirely conceivable that a sizable group of supervised defendants, **as** well as parolees and probationers, are circumventing the current drug testing panels. Henbe, as a strategic response to these findings, PSA issued a contract in FY 2019 for fentanyl test kit and will begin screening for fentanyl in FY 2020.

PSA responds to drug use by screening defendants for substance use disorder history during the risk assessment screening and interview process, and formulating rel ase recommendations to nsure defendants receive appropriate substance abuse interventions hile on pretrial release. In FY 2019, PSA conducted 2,191 substance use disorder assessments d 886 alcohol use assessments for defendants under pretrial supervision.

When necessary, PSA provides appropriate substance use disorder treatment to enhance supervision compliance. Court-supervised, evidence-based treatmenf is one of the most effective tools for breaking the cycle of substance involvement and crime. In ddition to public safety benefits, the community also benefits from the cost savings of providing supervision with appropriate treatment in lieu of incarceration. PSA's Superior CourtiDrug Intervention Program (Drug Court) and other sanction-based treatment programs use resealch-supported techniques as a mechanism for enhancing community safety.

For certain categories of defendants, PSA provides both close supe1v7sion and on-site treatment. For others, PSA places defendants into contracted sanction-based treatment services (medical and social detoxification, residential, intensive outpatient services, trbsitional) while continuing to provide supervision. Treatment providers utilize a full spectrum of interventions consistent with best practices to mitigate substance abuse. If sanction-based treatment is not available or is not ordered by the court, PSA provides supervision and refers defendants to community-based providers, as available. Community services are limited, however, arid are not optimal for high risk defendants who require close monitoring.

FY 2019 Metric and Actual Performance Results: One of PSA's straiegic objectives is to reduce drug usage among the defendants placed in treatment. Although substance use disorder treatment placement is voluntary, PSA was successful in placing 50 percent ofbligible defendants in treatment in FY 2019. Among defendants placed in a sanction-based treatment program, 85 percent had a reduction in drug use (refer to table below).

Drug:-Related Ag:ency Performance Indicators							
Performance Indicator Area	Indicator Description	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FV 2018 Actual	FY 2019 Actual	FY 2018- 2022 Tare:et
Strategic Objective 3.2.1	Substance Use Disorder Assessments	91%	92%	93%	91%	96%	95%
Strategic Objective 3.2.2	Placement into Substance Use Disorder Treatment	49%	49%	53%	55%	50%	50%
Strategic Objective 3.2.3	Reduction in Drug Use	91%	84%	85%	82%	85% •	74%

#### Quality of Performance Data

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

#### **Assertions**

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

PSA has established several acceptable performance measures for which a significant amount of obligations was incurred in FY 2019.

If you have any questions concerning this report, please contact Juan Cristiani at juan.cristiani@psa.gov or 202-220-5341

Sincerely,

Wendy L Miller



Office of the Inspector General

January 29, 2020

Jon E. Rice
Budget Coordinator & Assistant Director
for the Office of Performance and Budget
Office of National Drug Control Policy
1800 G Street, N.W.
Washington, D.C. 20503

Dear Mr. Rice:

This letter transmits the Office of the Inspector General report on the U.S. Department of Justice's detailed accounting of funds obligated by each drug control program agency, and the performance summaries for fiscal year 2019. These reviews are required by 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018.

If you have any questions, please contact me at (202) 514-3435 or Kelly A. McFadden, Director, Financial Statement Audit Office, at (202) 616-4642.

Sincerely,

Michael E. Horowitz Inspector General

Enclosure

cc: Lee J. Lofthus
Assistant Attorney General
for Administration
Chief Financial Officer
Justice Management Division

Eric Kleppinger
Deputy Director of Programs
and Performance
Budget Staff
Justice Management Division

Christopher Amesquita
Assistant Director
Budget Staff
Law Enforcement and
Corrections Group
Justice Management Division

Shannon Munro Assistant Director Budget Staff Legal Activities Group Justice Management Division

Suit Chan Program Analyst Budget Staff Legal Activities Group Justice Management Division

# Tab C



# INSPECTOR GENERAL

U.S. Department of Defense

JANUARY 30, 2020



**Independent Auditor's Report** on the FY 2019 DoD Detailed **Accounting Report for the Funds Obligated for National Drug Control Program Activities** 





#### **INSPECTOR GENERAL DEPARTMENT OF DEFENSE**

4800 MARK CENTER DRIVE ALEXANDRIA, VIRGINIA 22350-1500

January 30, 2020

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

SUBJECT: Independent Auditor's Report on the FY 2019 DoD Detailed Accounting Report for the Funds Obligated for National Drug Control Program Activities (Project No. D2020-D000FT-0024.000, Report No. D0DIG-2020-058)

Public Law 105-277, Title VII, "Office of National Drug Control Policy Reauthorization Act of 1998 (the Act)," 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 National Drug Control Strategy, "FY 2020 Budget and Performance Summary," May 2019, identified that the DoD enacted \$1.4 billion in FY 2019 for DoD drug control spending. Additionally, \$2.5 billion was transferred to the Drug Interdiction and Counterdrug Activities appropriation for the U.S. Army Corps of Engineers' construction of the Southwest Border barrier in support of the Department of Homeland Security. The following table shows a summary of the DoD's National Drug Control Program bureaus (components) and their respective budget decision units (appropriations).

Table. The DoD's National Drug Control Program

DoD Component (Submitting Budgets and Reporting Obligations)	DoD Budget Decision Unit (Appropriation)	National Drug Control Budget Authority (Millions)	National Drug Control Obligations (Millions)	
Defense Health Agency	Defense Health Program \$100.9		\$75.4	
	Drug Interdiction and Counterdrug Activities		\$3,349.5	
Deputy Assistant Secretary of Defense (Counternarcotics and Global Threats)	Drug Interdiction and Counterdrug Activities - Overseas Contingency Operations (OCO)	\$3,534.6		
[DASD(CN>)]	Counternarcotics Operations Tempo (OPTEMPO)	\$110.2	\$67.9	
Defense Security Cooperation Agency (DSCA)	DSCA	\$167.8	None Reported	
Totals		\$3,913.5	\$3,492.8	

The ONDCP Circular, "National Drug Control Program Agency Compliance Reviews," October 22, 2019 (the Circular), provides the policies and procedures 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 will prepare 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,
- a disclosure of any drug methodology modifications from the previous year's reporting,
- a disclosure of any material weaknesses and other findings,
- an identification of all reprogramming actions or transfers, and
- a 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,
- the use of a reasonable and accurate drug methodology to calculate obligations of prior year budgetary resources by functional area,

- a disclosure of actual drug methodology used,
- a disclosure of any drug methodology modifications from the previous year's reporting,
- a disclosure of any material weaknesses and other findings,
- an identification of all reprogramming actions or transfers, and
- a presentation of 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 report to ensure compliance with the Circular. A review-level attestation is substantially less in scope than an examination done to express an opinion on the subject matter. Accordingly, we do not express an opinion. We believe that our review provided a reasonable basis for our conclusions.

## **Defense Health Agency**

The Defense Health Agency, on behalf of the Defense Health Program, was unable to provide a timely FY 2019 detailed accounting submission for the Defense Health Program to the DoD OIG for authentication. We reviewed both their drug methodology for calculating FY 2019 healthcare obligations and draft versions of their FY 2019 detailed accounting submission, which identified \$75.4 million in FY 2019 obligations. However, a final version of the FY 2019 detailed accounting submission signed by the agency's Chief Financial Officer was not provided.

## DASD (CN&GT)

## **Drug Interdiction and Counterdrug Activities**

We reviewed DoD reprogramming actions for the Drug Interdiction and Counterdrug Activities appropriation that allocated \$3.5 billion among the Military Departments, the National Guard, and Defense agencies. We reviewed the year-end obligation report and determined that the DASD (CN&GT) allocated the funds to project codes intended for the DoD Counterdrug Program.

The DASD (CN&GT) provided the DoD OIG the Drug Interdiction and Counterdrug Activities detailed accounting report, dated December 13, 2019, which we reviewed to determine compliance with the Circular. The detailed accounting report indicated that during FY 2019, the DoD obligated \$3.3 billion of the \$3.5 billion allocated to the Counterdrug Program functional areas. The DASD (CN&GT) compiled the detailed accounting report from data submitted by the Military Departments and other DoD Components. The DASD (CN&GT) detailed accounting report is attached.

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

#### **Counternarcotics OPTEMPO**

DASD (CN&GT) did not provide the DoD OIG with a separate detailed accounting submission for Counternarcotics OPTEMPO funds. Although DASD (CN&GT) identified \$67.9 million in Counternarcotics OPTEMPO funds executed in FY 2019 in its performance summary report submission to ONDCP, the submission was not suitable for our detailed accounting review. The submission did not include a table of prior-year drug-control obligations listed by drug control functional area and did not include assertions relating to the obligation data, as required by the Circular.

#### **DSCA**

The DSCA was unable to provide a timely FY 2019 detailed accounting submission for DSCA obligations to the DoD OIG for authentication. During our review, the DSCA provided information related to our data request for the announced project and transaction level detail. However, a final version of the FY 2019 detailed accounting submission signed by the agency's Chief Financial Officer was not provided.

#### **Conclusion**

Based on our review, the DoD did not conform in all material respects to the Circular. Specifically, the Defense Health Program, Counternarcotics OPTEMPO, and the DSCA did not provide detailed accounting submissions for FY 2019, as required by the Circular. Except for the deficiencies noted above, we are not aware of any material modifications that should be made for the DoD to be in accordance with the Circular.

Lorin T. Venable, CPA

Journ T. Venable

Assistant Inspector General for Audit Financial Management and Reporting

Attachment:

As stated

# **Attachment**

# DASD (CN&GT)'s Drug Interdiction and Counterdrug Activities



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

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

Dear Mr. Chronister:

This letter and accompanying enclosures serve as the Department of Defense's (DoD) Detailed Accounting Submission for Fiscal Year (FY) 2019. Aggregate obligations for the Drug Interdiction and Counter-Drug Activities Budget Decision Unit (BDU) may be found at Tab A, Data was derived from detailed obligations reports generated by applicable Military Department and Defense Agency accounting systems of record and are consistent with the application of the National Drug Control Budget Methodology at TAB B.

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

Material weaknesses, other known weaknesses, including those identified in the Department's Annual Statement of Assurance, or any other findings by independent sources, have been disclosed. The presented obligations data is associated with a financial plan that properly reflects all changes made during the fiscal year. ONDCP did not issue DoD any Fund Control Notices. My point of contact for this action is

loseph J. MeMenamin

Acting Deputy Assistant Secretary of Defense Counternarcotics and Global Threats

DEC 1 3 2019

Enclosures: As stated

CF:

DoD OIG

# DASD (CN&GT)'s Drug Interdiction and Counterdrug Activities (cont'd)

#### UNCLASSIFIED

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

# ONDCP Drug Control Function FY 2019 Obligations (\$ in Thousands)

Intelligence		138,536
Intelligence: Domestic Law Enforcement	8,780	
Intelligence: Interdiction	54,759	
Intelligence: International	74,997	
Interdiction		266,569
International		107,171
Prevention		111,891
State and Local Assistance 1		2,725,337

#### Total Obligations <sup>2</sup>

3,349,504

#### **Drug Resources Personnel Summary**

FY 2019

Total Full Time Equivalent Civilian Positions	1,528
Total Fair Fine Equivalent Civilian Fositions	1,520

UNCLASSIFIED

TAB A

<sup>&</sup>lt;sup>1</sup> Includes \$2,499,493 thousand in U.S. Army Corps of Engineers obligations for Southwest Border barrier construction in support of the Department of Homeland Security.

 $<sup>^2</sup>$  Reflects a 94.7% overall obligation rate based on a total adjusted budget of \$3,534,625 thousand. Included in this number is a 95.6% obligation rate for military pay appropriations and a 95.4% obligation rate for operations and maintenance appropriations. Multi-year FY2019/2021 investment appropriations were obligated at 0.0% as of 30 September 2019.

# DASD (CN&GT)'s Drug Interdiction and Counterdrug **Activities (cont'd)**

#### National Drug Control Budget Methodology

#### Drug Interdiction and Counterdrug Activities, Defense

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

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

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

TAB B



## **Whistleblower Protection**

#### U.S. DEPARTMENT OF DEFENSE

The Whistleblower Protection Ombudsman's role is to educate agency employees about prohibitions on retaliation and employees' rights and remedies available for reprisal.

The DoD Hotline Director is the designated ombudsman.

For more information, please visit the Whistleblower webpage at www.dodig.mil/programs/whistleblower.

# For more information about DoD IG reports or activities, please contact us:

#### **Congressional Liaison**

congressional@dodig.mil; 703.604.8324

#### **Media Contact**

public.affairs@dodig.mil; 703.604.8324

#### **For Report Notifications**

www.dodig.mil/pubs/email\_update.cfm

#### **Twitter**

www.twitter.com/DoD\_IG

#### **DoD Hotline**

www.dodig.mil/hotline





# DEPARTMENT OF DEFENSE | INSPECTOR GENERAL

4800 Mark Center Drive Alexandria, VA 22350-1500 www.dodig.mil DoD Hotline 1.800.424.9098





# INSPECTOR GENERAL

U.S. Department of Defense

JANUARY 30, 2020



**Independent Auditor's Report** on the FY 2019 DoD Performance **Summary Report for the Funds Obligated for National Drug Control Program Activities** 





#### **INSPECTOR GENERAL DEPARTMENT OF DEFENSE**

4800 MARK CENTER DRIVE ALEXANDRIA, VIRGINIA 22350-1500

January 30, 2020

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

SUBJECT: Independent Auditor's Report on the FY 2019 DoD Performance Summarv Report for the Funds Obligated for National Drug Control Program Activities (Project No. D2020-D000FT-0025.000, Report No. D0DIG-2020-057)

The Office of National Drug Control Policy (ONDCP) Circular, "National Drug Control Program Agency Compliance Reviews," October 22, 2019 (the Circular), requires each agency for which a Detailed Accounting Submission is required to provide a Performance Summary Report (the Report) to the Director of the Office of National Drug Control Policy, by February 1 of each year. The agency's Chief Financial Officer or other accountable senior executive is required to provide the Report. The Circular requires the DoD Office of Inspector General (DoD OIG) to review the Report and express a conclusion on the reliability of each assertion made in the Report.

The four performance-related components of the information that the National Drug Control Program agencies must include in the Report, as outlined in the Circular, are:

- performance measures,
- prior year's performance targets and results,
- current year performance targets, and
- quality of performance data.

The Circular also requires the National Drug Control Program agencies to make four assertions about the information presented in the Report. The assertions are as follows:

- performance reporting system is appropriate and applied,
- explanations for not meeting performance targets are reasonable,
- methodology to establish performance targets is reasonable and consistently applied, and
- adequate performance measures exist for all significant drug control activities.

The Circular requires the National Drug Control Program agencies to establish at least one acceptable performance measure for each Drug Control Budget Decision Unit, as identified in the ONDCP National Drug Control Strategy, "FY 2020 Budget and Performance Summary," May 2019. The National Drug Control Strategy identifies the Defense Health Program (DHP); Drug Interdiction and Counterdrug Activities; Overseas Contingency Operations (OCO); Counterdrug Operations Tempo (OPTEMPO); and the Defense Security Cooperation Agency (DSCA) as Budget Decision Units.

We reviewed the Reports in accordance with attestation standards established by the American Institute of Certified Public Accountants and in accordance 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 Reports to ensure compliance with the Circular. We performed a review-level attestation, which is substantially less in scope than an examination done to express an opinion on the subject matter. Accordingly, we do not express an opinion. We believe that our review provided a reasonable basis for our conclusions.

## **Defense Health Agency**

The Defense Health Agency provided some documentation but did not complete all required elements of the performance summary submission, such as the required assertions, and did not provide a signed FY 2019 performance summary submission to the DoD OIG for authentication.

# **Deputy Assistant Secretary of Defense for Counternarcotics** and Global Threats

## Drug Interdiction and Counterdrug Activities, OCO, and OPTEMPO

The Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats (DASD (CN&GT)) provided its FY 2019 performance summary submission, dated December 20, 2019, which we reviewed to determine compliance with the Circular. The performance summary submission described how the DASD (CN&GT) executed its counternarcotics program in accordance with the Circular. The DASD (CN&GT) reported on its three Budget Decision Units for FY 2019: Drug Interdiction and Counterdrug Activities, OCO, and OPTEMPO. These Budget Decision Units combined have six performance measures.

Based on our review, the DASD (CN&GT) FY 2019 performance summary submission did not conform in all material respects to the Circular. Specifically, the DASD (CN&GT) did not provide sufficient supporting data for one of six performance measures.

#### **DSCA**

The DSCA did not provide an FY 2019 performance summary submission to the DoD OIG for authentication. DSCA personnel stated that they are still in the process of establishing their counterdrug programs and performance measures.

#### Conclusion

Based on our review, the Reports did not conform in all material respects to the Circular. Specifically, the Reports materially deviated from the requirements of the Circular because:

- the Defense Health Agency did not provide an FY 2019 performance summary submission for the DHP,
- the DASD (CN&GT) did not provide sufficient supporting data for one performance measure, and
- the DSCA did not provide an FY 2019 performance summary submission.

Except for the deficiencies noted above, we are not aware of any material modifications that should be made to the Reports to be in accordance with the Circular.

Lorin T. Venable, CPA

Louin T Venable

Assistant Inspector General for Audit Financial Management and Reporting

Attachment:

As stated

# **Attachment**

# **DASD (CN&GT)'s Performance Summary Report**



#### OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

2500 DEFENSE PENTAGON WASHINGTON, D.C. 20301-2500

Mr. James W. Carroll, Jr. Director Office of National Drug Control Policy 750 17<sup>th</sup> Street, NW Washington, DC 20503

As required by "ONDCP Circular: National Drug Control Program Agency Compliance Reviews", October 22, 2019, please find enclosed the Counternarcotics and Global Threats (CNGT) Performance Summary Report (PSR) for Fiscal Year (FY) 2019.

- · Our performance reporting system is appropriate and applied.
- · Explanations for not meeting performance targets are reasonable.
- The methodology used to establish performance targets is reasonable and consistently applied.
- At least one acceptable performance measure for each Drug Control Budget Decision Unit is provided,

My point of contact for this action is

Joseph J. McMenamin

Acting Deputy Assistant Secretary of Defense Counternarcotics and Global Threats

DEC 2 0 2019

Attachment: As stated



# Fiscal Year 2019 Counterdrug **Performance Summary Report**

U.S. Department of Defense

Activities Funded by the Drug Interdiction and Counter-Drug Activities Appropriation & Military Services Operations Tempo

> UNCLASSIFIED December 20, 2019

DISTRIBUTION STATEMENT A. Approved for public release; distribution is unlimited.

#### THIS PAGE INTENTIONALLY LEFT BLANK

#### TABLE OF CONTENTS

Alignment with the National Drug Control Strategy......2 

FY 2019 DoD Counterdrug Performance Summary Report

#### EXECUTIVE SUMMARY

The Department of Defense (DoD) counterdrug (CD) programs cited within this report support the National Drug Control Strategy (NDCS) and the National Strategy to Combat Transnational Organized Crime. Program oversight is provided by the Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats (DASD (CN&GT)) in cooperation with the Office of Drug Demand Reduction (DDR) within the Office of the Undersecretary of Defense for Personnel and Readiness. Programs administered by DASD (CN&GT) support the detection and monitoring of aerial and maritime drug threats bound for the United States, U.S. and international partner operations and information sharing, and the conduct global intelligence and counter threat finance analyses. DDR oversees drug testing and prevention programs.

This Performance Summary Report (PSR) encapsulates six quantitative measures of DoD CD program performance. Five pertain to programs funded by the Drug Interdiction and Counter-Drug Activities, Defense appropriation. Of these, three pertain to physical drug and precursor seizures in particular geographical areas: the Western Hemisphere Transit Zone (WHTZ), the Indian Ocean, and Afghanistan. Two measures highlight drug testing program results for U.S. Armed Services members and DoD civilians administrated by DDR. One measure compiles aerial and maritime operating tempo (OPTEMPO) contributions funded by the U.S. Armed Services in support of CD. operations. All six measures are aligned with a NDCS line of effort; two with Prevention: four with Reduce Availability.

Looking at this PSR holistically, three takeaways emerge relevant to NDCS goals. First, U.S. and partner nation physical drug and precursor seizures in the WHTZ, Indian Ocean, and Afghanistan denied approximately \$5.8 billion in revenue to illicit drug traffickers in Fiscal Year (FY) 2019, the vast majority of which were due to WHTZ seizures. Second, less than one percent of the DoD military and civilian workforce tested positive for illicit drug use from 2014 through 2019. Third, the measures point to DoD detection and monitoring capacity exceeding law enforcement interdiction capacity in the WHTZ from 2015 through 2019.

#### ALIGNMENT WITH THE NATIONAL DRUG CONTROL STRATEGY

#### National Drug Control Strategy (NDCS) Lines of Effort (LOE)

	Prevention	Treatment and Recovery	Reduce Availability
(1) Drug Interdiction and Counterdrug Activities	Measure: DoD military personnel testing positive for drug use  Measure: DoD civilian personnel testing positive for drug use		Measure: Percentage of detected global illicit trafficking events successfully handed off to interdiction assets by JIATF-S
(2) Overseas Contingency Operations (OCO)			Measure: Indian Ocean Heroin Removal by Combined Task Force-150  Measure: U.S. Dollar (USD) value of drugs and precursors seized during Special Mission Wing (SMW) airlift support missions (drug revenue denied to Taliban)
(3) Counterdrug OPTEMPO			Measure: Aircraft and ship OPTEMPO hours executed by the U.S. Armed Forces in support of global counterdrug operations

2

#### MEASURING PERFORMANCE

The Department of Defense delivers global support to the nation's CD and countering transnational organized crime (CTOC) efforts via programs focused on detecting and monitoring (D&M) aerial and maritime drug threats bound for the United States, by supporting U.S. and international partner operations and information sharing, conducting global intelligence and counter threat finance analyses, and by encouraging a drug-free workplace through drug demand reduction (DDR) programs. Measures of performance assigned to these activities are used by decision makers to:

- Measure actual results for comparison to annual goals and progress toward strategic objectives.
- Guide the allocation of budgetary resources during the annual planning, programming, budgeting, and execution process,
- Provide management and oversight of DoD CD and CTOC programs.
- Facilitate communications and engagements with internal and external stakeholders.

#### DEFINING MEASURES OF SUCCESS

Performance measurement programs administered by CN&GT and DDR helps ensure that component and subcomponent goals, objectives, programs, and activities support the following strategic and program management imperatives to:

- Align programs and initiatives with strategic goals and objectives: Geographic Combatant Commands, Military Departments, and Defense Agencies are responsible for developing, managing and reporting on programs funded by the Drug Interdiction and Counterdrug Activities, Defense appropriation through an established performance measurement program and associated metrics,
- Link program performance to management and resource decision-making: Performance metrics provide stakeholders with key output and outcome data which is used to evaluate the performance of programs and supporting organizations. By accurately measuring performance, leaders and managers can make more informed program and resource decisions.
- Frame stakeholder expectations: DoD CD and related counter-illicit trafficking. programs often support and enable related missions performed by U.S. interagency and international partners. Performance metrics help DoD to frame expectations for the execution of programs and activities in support of common objectives.

#### SUPPORTING PROGRAM MANAGEMENT

When successfully implemented, performance measurement programs ensure component and subcomponent goals, objectives, programs, and activities align with and support DoD CD program objectives, while also providing insight and traceability for:

- Mission Execution: Effective metrics support mission execution by defining the parameters of mission success and by measuring progress toward objectives. Once programs reach the execution stage, properly developed output and outcome metrics will help keep programs on course to achieve desired end states.
- Strategic Integration: In addition to supporting mission execution at the tactical and operation levels, performance metrics support CD objectives identified in component Theater Campaign Plans (TCP) and similar operational-level documents.
- Operational Effectiveness: Metrics support program efficiency by helping identify initiatives and activities with the highest return on investment (most effective at achieving program objectives at lowest cost). Components employ metrics to inform program reviews, guide procurement decisions, and identify opportunities for process improvement.
- Reporting: DoD employs metrics to catalogue and report component performance toward the achievement of program goals.

#### PERFORMANCE TARGETS

Target setting is a management process delegated to CD program managers who are most knowledgeable about specific CD activities and associated performance information. Obtaining performance targets from those who are most closely involved with the CD activity leads to more informed and realistic targets. Once targets are set, they are not changed for a period of time but remain flexible as more information is received and as circumstances change. When setting performance targets, CD program managers review trends and history and consider variations in performance, peaks, troughs, and seasonal, economic, and political factors. Other factors considered include changing political leadership as well as new authorities and modifications to existing authorities.

#### -PERFORMANCE RESULTS AND DISCUSSION

BUDGET DECISION UNIT - 1 - DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES

#### ~ WESTERN HEMISPHERE ~

Measure: Percentage of total global illicit trafficking events, as estimated by interagency and international intelligence activities, detected and successfully handed-off to interdiction and apprehension assets by Joint Interagency Task Force-South (JIATF-S).

Name of the last o	Fiscal Year							
Measure	2015	2016	2017	2018	2019 T	2019	2020 T	
Critical Movement Alerts (CMA)	5,879	8,008	7,859	8,522		7,713		
Drug Movement Alerts (DMA)2	4,294	6,489	7,646	8,172		7,278		
Consolidated Counterdrug Database Events <sup>3</sup>	2,218	4,575	4,251	3,854		3,056		
Targeted Consolidated Counterdrug Data Base (CCDB) Events <sup>†</sup>	526	1,186	1,071	793		590		
Detected CCDB Events <sup>5</sup>	246	451	410	357		306		
Seized or Disrupted CCDB Events	192	322	309	245		221		
Percentage of Detected Events Successfully Handed-off to Interdiction and Apprehension Resources	78%	71%	75%	69%	80%	72%	80%	

<sup>&</sup>lt;sup>1</sup> CMAs comprised of initial intelligence submissions through JIATF-S tactical analyst teams or liaison officers and include DMA's and other illicit trafficking events. [Data source: JIATF-S HELIOS]

<sup>2</sup> DMAs capture impending or ongoing drug trafficking movements (conveyance, location, drug type, date and time). [Data source: JIATF-S HELIOS]

Purpose: This measure is the primary gauge for assessing the Department's performance as the single lead agency of the Federal Government for detecting and monitoring (D&M) aerial and maritime transit of illicit drugs into the United States through the Western Hemisphere Transit Zone (WHTZ). The WHTZ includes the Caribbean Sea, the Gulf of Mexico, and the eastern Pacific Ocean.

U.S. Southern Command's (USOUTHCOM) JIATF-S facilitates drug interdiction by leveraging cued intelligence and other sources. The task force detects, monitors, and then hands-off potential targets to U.S. and international law enforcement agencies that possess the authorities to conduct subsequent interdiction and apprehension (I&A).

Agency Management Use: Management uses this measure to assess the efficiency and effectiveness of JIATF-S D&M operations and program activities. It is also used to

CCDB events are those JIATF-S maritime DMAs that meet interagency agreed upon criteria in CCDB User's Manual. [Data source; CCDB]

<sup>\*\*</sup> Illicit trafficking events targeted by JIATF-S aviation and maritime resources. [Data source: CCDB]

\*\*Illicit trafficking events detected by JIATF-S aviation and maritime resources. [Data source: CCDB]

\*\*2015 to 2018 data is derived from the FY18 PSR. As interagency participants receive updates to events captured in CCDB, small changes to values reflected in this PSR may result.

inform policy and resource decisions at every management level, to include Program Objective Memoranda (POM) and annual budget requests.

2019 National Drug Control Strategy (NDCS) Alignment: The activity represented by this performance measure aligns with the NDCS 'Reducing the Availability of Illicit Drugs in the United States' line of effort.

FY 2019 Result: In FY 2019, JIATF-S logged 7,713 Critical Movement Alerts (CMAs) comprised of initial intelligence submissions, of which 7,278 were Drug Movement Alerts (DMAs), a subset of CMAs that capture an impending or ongoing illicit drug movement. During quarterly Consolidated Counterdrug Data Base (CCDB) vetting conferences, each interagency partner-submitted event is examined to ensure strict adherence to agreed-upon criteria as defined in the CCDB User's Manual. This process resulted in the designation of 3,056 validated JIATF-S maritime events for FY 2019.

Of the 3,056 JIATT-S validated DMAs, JIATF-S was able to target 590 (19%). Target in this context, is the act of searching for illicit conveyances with JIATF-S controlled resources such as, aircraft, ships, helicopters, etc. The remaining 2,466 events (81%) were not targeted primarily due to the lack of allocated air and maritime law enforcement interdiction resources.

Of the 590 targeted events, 306 (52%) were categorized as "eyes-on" detections of illicit conveyances by U.S. or partner nation (PN) D&M assets. Of these, 221 were successfully handed-off to U.S. or PN law enforcement I&A assets. This resulted in an FY 2019 success rate of 72% for seizures and/or disruptions once an illicit target was detected, falling short of the 80% target.

JIATF-S is a critical force multiplier for U.S. law enforcement agencies for evidence collection, grand jury proceedings, indictments, and extraditions leading to the interdiction or arrest of key drug trafficking organization (DTO) members, Consolidated Priority Organization Targets (CPOT), and the disruption of prioritized transnational threat networks. Below are JIATF-S operations related FY 2019 law enforcement seizure statistics as compared to FY 2018:

- Arrests/Detainees: 745, decreased by 8%
- · Conveyances (vessels and aircraft): 228, decreased by 5%
- · Cocaine: 280 MT, increased by 7 MT (\$5.6B loss to traffickers)
- Marijuana: 24 MT, increased by 71% (\$51M loss to traffickers)
- · Heroin: 0 KG

Explanation for not meeting FY 2019 target (if applicable): Although ultimate handoff percentage success is driven by multiple factors, the FY 2019 shortfall appears attributable primarily to a lack of U.S. and partner nation law enforcement air and maritime I&A resources. Transit Zone drug traffickers are also believed to be achieving

6

some success by operating beyond the range of JIATF-S coordinated aerial and maritime

Corrective actions to implement in FY 2020 (if applicable): Although the availability of law enforcement I&A assets is beyond the purview of DoD, USSOUTHCOM has taken steps to extend the range and time-on-station of aerial D&M assets by deploying purpose modified De Havilland DASH-8 'PALE ALE' Maritime Patrol Aircraft (MPA) in recent years. In the Second Quarter of FY 2020, the U.S. Air Force plans to take delivery of a fourth PALE ALE aircraft that will increase the operational capacity of this effective platform by 33.3%. In the maritime domain, USSOUTHCOM has high expectations its Multi-Mission Support Vessel (MMSV) will support additional enabling capabilities to extend time-on-station, to include sea-based unmanned aerial systems operation.

Data Source: JIATF-S data is derived from both the JIATF-S HELIOS database and the Defense Intelligence Agency (DIA) hosted CCDB.

Procedures to Ensure Data Quality: Beginning in FY 2010, JIATF-S developed drug interdiction continuum indicators to assess its caseload, operational efficacy, and utilization of detection and monitoring (D&M) resources. In FY 2015, it refined and realigned its metrics to reflect updated CCDB event criteria.

All event-based CCDB data entered by JIATF-S and its U.S. interagency and international partners is reviewed and validated quarterly via a joint interagency vetting process. This data is the best available authoritative source for estimating known illicit drug flow (or Primary Movement) in the Western Hemisphere. Validated CCDB event data is deemed to be "high confidence" (accurate, complete, and unbiased in presentation and substance as possible).

Target Methodology: The 80% FY 2019 target was set as an incremental increase towards a goal of 100% (the target is reviewed on an annual basis). As mentioned previously, many variables affect the hand-off percentage, but each year U.S. and PNs strive to become more efficient and effective by increasing capabilities, capacities, and competencies with respect to operational assets, command and control, information sharing, and technology advancements.

#### ~ DRUG DEMAND REDUCTION ~

Measure: DoD military personnel positive test rate for drug use.

	Fiscal Year								
Measure	2014	2015	2016	2017	2018	2019 T	2019	2020 T	
	0.90%	0.84%	0.85%	0.88 %	0.84%	-2.0%	0.86%	< 2.0%	
FY19 Unique military members testing positive <sup>1</sup>							15,231		
FY19 Unique military members tested						1,778,228			

Source: Defense Manpower Data Center FY 2019 Drug Testing Metrics; U.S. Army Medical Information Technology Center. FY 2019 based on estimated 4th quarter testing. FY 2014-2018 rates are based on finalized annual data.

Measure: DoD civilian personnel positive test rate for drug use.

	Fiscal Year								
Measure	2014	2015	2016	2017	2018	2019 T	2019	2020 T	
	0.36%	0.34%	0.30%	0.33%	0.41%	< 1.0%	0.45%	< 1.0%	
FY19 Unio	que civilian	members tes	ting positiv	e <sup>2</sup>			557		
FY19 Unique civilian members tested <sup>2</sup>						124,681			

Source: Pembrooke Occupational Health, Inc. <sup>2</sup>All results based on finalized annual data

Purpose: This measure provides a direct and effective indication of unauthorized drug use by U.S. Armed Service members and DoD civilian employees.

As drug use is incompatible with DoD military and public service, the Department of Defense (DoD) Drug Demand Reduction Program (DDRP) was mandated in 1981 and was given the mission to deter DoD personnel from abusing illicit drugs or misusing prescription drugs. Program components include compulsory random drug testing with punitive consequences and anti-drug education and outreach programs.

Agency Management Use: DDR management uses this measure to monitor performance against established positive testing rate targets that support maintenance of the health and well-being of DoD civilian and military work forces. It also supports budget formulation and resource allocation decision-making.

2019 National Drug Control Strategy (NDCS) Alignment: The activities represented by these performance measures align with the NDCS 'Prevention' line of effort.

FY 2019 Result: DoD is on track to keep the illicit drug positive rate below 2% for military personnel and below 1% for civilian personnel, despite the Department expanding the drug testing panel to include commonly-abused prescription drugs and synthetic marijuana (a.k.a. Spice).

Explanation for not meeting performance target (if applicable): N/A

Corrective actions to implement in FY 2020 (if applicable): N/A

#### Data sources:

DMDC: The Defense Manpower Data Center (DMDC) Person Data Repository includes data from the Active Component Personnel Master File, the Reserve Components Personnel Data System, and the Military Drug Test File. The Active Component Personnel Master File provides an inventory of all individuals assigned to an Active Component (excluding Active Duty Reservists for training) at any given point in time for the Army, Navy, Marine Corps, and Air Force. It provides a standardized and centralized database of all personnel, past and present, of the AC. File sources are from various personnel centers; their requirement to submit data to DMDC is covered under DoDI 1336.05, "Automated Extract of Active Duty Military Personnel Records."

USAMITC: The Laboratory Information Management System is a central data repository located in San Antonio, TX, at the U.S. Army Medical Information and Technology Center. Examples of data fields in the system include donor identification, collection specimen number, collection unit, collection date, laboratory screening test results, laboratory confirmation test results, and final test results. Specimens are included in this statistical report based on the date that drug-testing laboratory results were reported, not the date of collection.

Pembrooke: A commercial, vendor-owned database called eScreen Drug Testing System is used to collect and consolidate drug-testing data for DoD civilians subject to workplace drug testing. Summary data is provided to DDR for compliance monitoring.

Procedures to ensure data quality: The DoD DDRP policy for military service members is promulgated in DoD Instruction 1010.01 with detailed guidance concerning drug testing procedures contained in DoD Instruction 1010.16. The DoD DDRP policy for civilian personnel is contained in DoD Instruction 1010.09.

All drug testing data entered into the DMDC database is reviewed and verified by each Service and Component quarterly, Department of Defense Instruction (DoDI) 1010.16 requires all Services to develop and manage a medical review process (MRP) to review all drug positive results. In addition, DoDI 1010,16 requires the military drug testing laboratories to have robust internal and external quality assurance programs to ensure the quality and accuracy of all analytical results. DoDI 1010.09 requires all DoD Components to use the U.S. Army Fort Meade Forensic Toxicology Drug Testing Drug Testing Laboratory (FTDTL) for DoD civilian personnel.

Target methodology: DoD policy requires 100% random urine drug testing for every Service member annually. Given the success of DoD's civilian drug testing program, the random testing rate for civilians in testing-designated positions will be 50% of the workforce per year. The effectiveness of this program is measured by monitoring the prevalence of drug use from drug testing statistics published annually with a 2% or less urine drug positive rate for military personnel, and a 1% urine drug positive rate for DoD civilians in Testing Designated Positions.

These goals were established in response to Office of the Undersecretary of Defense OUSD (P&R) Memorandum, "Well-Being of the Force Indicators," dated 3 March 2008. Goals were set at values substantially lower than what was reported in DoD Surveys of Health Related Behavior Among Military Personnel. Annual statistical reports track testing and positive rates by Military component. These reports are sent to the National Guard Bureau, Military Departments, and Director, Joint Staff for awareness and to address any focus areas.

#### BUDGET DECISION UNIT-2-OVERSEAS CONTINGENCY OPERATIONS

#### ~Indian Ocean~

Measure: Indian Ocean Heroin Removal

Measure	Fiscal Year								
	2015	2016	2017	2018	2019 T	2019	2020T		
Fiscal Year Consolidated Counter Drug Database (CCDB) Regional Narcotics Interagency Fusion Cell (RNIFC) case number data reported by Defense Intelligence Agency	2,455 kg	2,172 kg	1,542 kg	3,510 kg	4,800 kg.	3,059 kg	4,800 kg		

Purpose: This is an outcome indicator supporting multiagency/multinational intelligence and information-sharing operations led by the Regional Narcotics Interagency Fusion Cell (RNIFC). RNIFC coordinates and informs regional law enforcement partners and coalition maritime interdiction assets in the intercept of illicit drugs transiting the Indian Ocean Region. Co-located with U.S. Naval Forces Central Command in Bahrain, RNIFC analyzes, fuses, develops and disseminates military intelligence and law enforcement information to assist in the targeting of narcotics trafficking, transnational criminal organization networks, and other transnational threats emanating from the illicit drug trade in Afghanistan.

Agency Management Use: USCENTCOM and CN&GT management use this measure to assess the efficiency and effectiveness of RNIFC operations and program activities. It supports budget formulation and resource allocation decisions, as well as facilitates discussion among management to ensure RNIFC's focus and performance are commensurate with DoD's investment.

2019 National Drug Control Strategy (NDCS) Alignment: The activity this performance measure represents aligns with the 'Reducing the Availability of Illicit Drugs in the United States' NDCS line of effort.

FY 2019 Result: In FY 2019, RNIFC provided information to regional law enforcement partners and Combined Task Force-150 (CTF-150) that resulted in 36 narcotics seizures. Approximately 3,045 kilograms (kg) of heroin were confiscated, exploited for intelligence, and destroyed. In addition to heroin, CTF-150 ships also confiscated and destroyed approximately 66,253 kg of hashish, and 64.4 kg of methamphetamines. According to Drug Enforcement Administration (DEA) estimates, approximately \$67.4M in revenue was denied DTOs and their associated insurgent and extremist partners as a result of the combined heroin, hashish, and meth seizures. Heroin accounts for roughly \$32M of the total; hashish \$33.7M; and methamphetamine \$1.7M.

Explanation for not meeting performance target (if applicable): As a result of regional concerns stemming from the hijacking of oil tankers by the Islamic Republic of Iran in July and August of 2019, ships assigned to CTF-150 were re-tasked to locations in the Arabian Sea (northern Indian Ocean) and away from the traditional heroin smuggling routes off the East Coast of Africa which historically produces the majority of the heroin interdictions. However, CTF-150's presence off the Makran Coast and in the northern Indian Ocean, near the coasts of Oman and Yemen, resulted in a record year for hashish seizures via dhow interdictions.

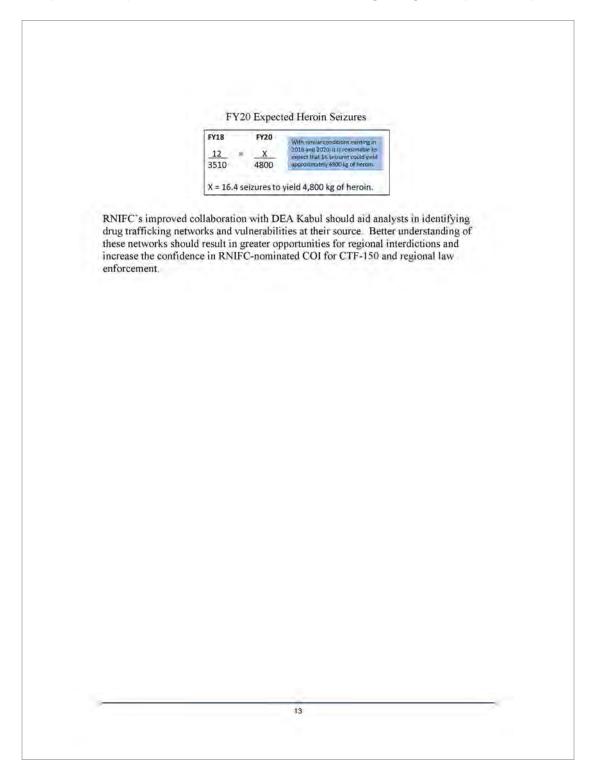
Corrective actions to implement in FY 2020 (if applicable): RNIFC will maintain the 4,800-kilogram seizure goal for FY20. While tension with Iran may continue, we expect CTF-150 to return to normal operations and increase activities along the East African coast. In addition, RNIFC analytical capabilities have improved. For example, in FY19 every RNIFC nominated Contact of Interest (COI) that was boarded by CTF-150 forces resulted in a narcotics seizure. By comparison, less than half the boardings (48 percent) conducted by CTF-150 on vessels of opportunity (not nominated by RNIFC) resulted in narcotics seizures. The ability of the RNIFC to provide accurate cueing information will permit CTF-150 to concentrate on those dhows that have the greatest probability and likelihood of producing a narcotics interdiction. Another factor supporting FY20 optimism is the assumption of CTF-150 command by the French Navy. The French are willing, aggressive, and successful partners in countering drug smuggling in the region.

Data Source: RNIFC data is derived from the Consolidated Counterdrug Database (CCDB). The CCDB is hosted and maintained by the Defense Intelligence Agency (DIA).

Procedures to ensure data quality: As with JIATF-S, each CTF-150 CCDB interdiction event is reviewed and validated through a quarterly interagency vetting process. CCDB event-based estimates are the best available authoritative source for estimating known illicit-drug flow (or Primary Movement) through the Indian Ocean. Validated CCDB event data is deemed "high confidence" (accurate, complete and unbiased in presentation and substance as possible).

FY 2020 target methodology: The RNIFC target of 4,800 kg for heroin interdictions, set in FY19, will remain unchanged for FY 2020. The single most important factor for FY20 is that ships assigned to CTF-150 will be back in the traditional heroin smuggling routes off the East Coast of Africa. In FY 2018, just 12 seizures yielded 3,510 kilograms of heroin when CTF-150 patrolled the traditional smuggling routes. In FY 2019, when CTF-150 did not patrol these routes, it took 36 seizures to yield 3,045 kilograms of heroin.

With the exception that France will lead the Combined Maritime Force (CMF), conditions present in FY 2018 are expected to repeat in FY 2020. The French are expected to be as equally aggressive as the Canadian-led CMF, and barring any further asset diversions due to Iranian aggression, the FY 2020 goal should be achievable with 16 seizures.



#### ~AFGHANISTAN~

Measure: U.S. Dollar (USD) value of drugs and precursors seized during Special Mission Wing (SMW) airlift support missions (drug revenue denied to Taliban and other VEOs).

Service .	Fiscal Year							
Measure	2015	2016	2017	2018	20191	2020T		
Drug Enforcement Administration (DEA) estimate of USD value of narcotics and precursors seized by Afghan Special Security Force (ASSF) and National Defense Directorate (NDD) ground troops when airlifted by SMW on tactical missions.	\$27.4M	\$111.1M	\$179.6M	\$33.0M	\$79.2M	\$86.0M		

<sup>&</sup>lt;sup>1</sup> This is a new performance measure which was developed during FY 2019, therefore no Target was set for FY 2019. This measure replaced the FY 2018 performance measure Number of Afghanistan Special Mission. Wing (SMM) Counterdrug Missions Flown. Performance measure was changed because the FY2018 measure was not outcome-oriented as required by ONDCP Circular: Accounting of Drug Control Funding and Performance Simmary, May 8, 2018, para 7a.(1).

Purpose: This measure supports trend analysis and serves as a measure of SMW effectiveness. When assembled with other SMW performance measures, this measure provides leadership with useful data for making operational and resourcing decisions.

Agency Management Use: SMW performs several types of flight missions such as CD, counterterrorism, training, administrative, and maintenance. This measure is used by management to assess the level of CD operations and performance relevant to other SMW missions and activities. It is also used by management when considering annual program and budget requests.

2019 National Drug Control Strategy (NDCS) Alignment: This performance measure aligns with the 'Reducing the Availability of Illicit Drugs in the United States' NDCS line of effort.

Alignment with May 2019 DoD Framework to Counter Drug Trafficking and Other Illicit Threat Networks: The activity aligns with Framework priorities 1 and 3; "1. Support efforts to sever VEOs and TCOs sources of strength, including funding and supply chains, with a focus on ISIS, al-Qaeda, and Iran-affiliated organizations." "3. Disrupt and degrade the flow of Afghan heroin supporting terrorists and criminal groups, focused on the Taliban Haqqani network, and the downstream illicit drug trade through East Africa by supporting partner nation law enforcement agencies' ability to conduct land and maritime counterdrug and counter transnational organized crime operations."

FY 2019 Result: SMW-provided airlift enabled the seizure or destruction of 278,081 kilograms of narcotics, and 3,144 liters of precursor chemicals. According to DEA estimates, this equated to \$79.2M in denied revenue to DTOs and VEOs. Additionally,

39 persons were captured and another 24 killed.

Data sources: DEA confidential sources reporting of local narcotic prices; Special Operations Joint Task Force-Afghanistan/NATO Special Operations Component Command-Afghanistan (SOJTF-A/NSOCCC-A) Battle Damage Assessment reports; Reporting by U.S. Advisors to the SMW.

Procedures to ensure data quality: The DEA Kabul Country Office (KCO), using information derived from multiple sources of intelligence information (e.g., phone intercepts, interrogations, confidential source reporting), develops representative current illicit-market conditions to estimate the dollar value of seized or destroyed material. This information is then used to estimate the amount of revenue denied to the Taliban from SMW-enabled operations. DEA formalizes the estimate of denied revenue and includes this information as a Significant Enforcement Activity Report (SEAR). This information is shared across government agencies. Subsequently, this information is captured by the SOJTF-A/NSOCC-A and included in mission summary reports. SOJTF-A/NSOCC-A also maintains an online data archive that can be shared with designated units to allow personnel to review, sort, and quality-check SMW mission information, as well as characterize missions by type (CD, CT, CD/CT or other).

FY 2020 Target Methodology: In FY 2020, DOD will provide additional analytical capabilities to support DEA targeting activities. These analysts should enable DEA to develop more targets for their vetted units to engage. Also, the DEA-vetted National Interdiction Unit (NIU) will increase in numbers from approximately 500 officers to 750 officers. With this additional police interdiction capacity, combined with increased analytical support, SMW intends to fly 52 CD missions in FY 2020 (up from 39 missions in FY19). Extrapolating the FY 2015-2019 five-year moving average of historical results, the target for revenue denied to the Taliban in FY 2020 is expected to increase to approximately \$86,0M.

Supporting this target increase is the opportunity for successful peace negotiations in Afghanistan. A favorable political outcome could make CD operations a higher priority for the Afghan Government as combat and counter-terror operations decrease. If so, the SMW would be a primary enabler for intelligence-driven police actions against illicit drug traffickers and facilitators.

#### BUDGET DECISION UNIT-3-COUNTERDRUG OPERATIONS TEMPO (OPTEMPO)

~ U.S. ARMED SERVICES GLOBAL COUNTERDRUG OPTEMPO SUPPORT ~

Measure: Aircraft and ship OPTEMPO hours executed by the U.S. Armed Forces in support of global CD operations.

Marine	Fiscal Year								
Measure	2015	2016	2017	2018	2019 T	2019	2020T		
Total OPTEMPO Hours	29,405	34,487	31,150	24,913	33,400	22,824	28,556		
Military Aircraft Flying Hours	23,645	26,783	23,038	21,253	25,000	16,224	22,189		
Military Ship Steaming Hours (U.S. Navy)	5,760	7,704	8,112	3,660	8,400	6,600	6,367		
Total OPTEMPO Expenditures (\$M) <sup>t</sup>	\$89.9	\$101.1	593.6	\$93.7	N/A <sup>2</sup>	\$67.9	\$89.2		

Source: Resource Managers for the Army, Navy, Air Force, and National Guard uploaded data from respective Military Service systems of record to the DASD (CN&GT) Resources Website: "OPTEMPO hours multiplied by aircraft/ship cost-per-hour; "No expenditure target was set for FY 2019 as expenditures are a resultant (lag indicator) of OPTEMPO hours executed (lead indicator). Nonetheless, for FY 2020 and future years, a target value will be set as a helpful point of reference.

Purpose: This measure supports the analysis of operational trends by tracking multiyear U.S. Armed Forces CD OPTEMPO hours in support of U.S. and partner nation law enforcement CD operations.

Beginning in FY 2018, DASD (CN&GT) began coordinating with the Military Services to report data for aircraft flight and ship steaming hours in support of global CD operations to assist the Office of National Drug Control Policy (ONDCP) in obtaining a more complete accounting of total DoD support provided in support of National Drug Control Strategy goals.

Agency Management Use: CN&GT serves as the Department's single point-of-contact responsible for consolidating and reporting global U.S. Armed Services CD OPTEMPO execution to DoD leadership and ONDCP. This measure is used by management to analyze trends in Military Service operational support provided to DoD's aerial and maritime drug detection and monitoring (D&M) mission. This measure may also be used to assess the efficacy of investing in alternative aerial and maritime platforms and to support the establishment of cooperative arrangements between U.S. Armed Forces and partner nations for the conduct of CD operations.

2019 National Drug Control Strategy (NDCS) Alignment: This performance measure aligns with the 'Reducing the Availability of Illicit Drugs in the United States' NDCS line of effort.

FY 2019 Result: From FY 2018 to FY 2019, ship steaming hours increased by 80 percent, and flight hours decreased by 24 percent, resulting in a net decrease of 2,089 total U.S. Armed Services CD OPTEMPO hours.

Opening the party of the party	Flying/Steaming Hours by Fiscal Year					
OPTEMPO Hours Detail by DoD Component	2018	2019	A 2018-19			
Air National Guard Flight Hours	2,910	1,856	(1,054)			
Army National Guard Flight Hours	12,730	11,065	(1,665)			
Air Force Flight Hours	1,393	647	(746)			
Air Force Reserve Flight Hours	1,013	825	(188)			
Army Flight Hours	2,164	360	(1,804)			
Navy Flight Hours	1,043	1,471	+ 428			
Navy Steaming Hours	3,660	6,600	+2,940			
TOTAL Hours	24,913	22,824	(2,089)			

OWERA DO COM DANGE DANGE COMME	\$ in Millions by Fiscal Year					
OPTEMPO Cost Detail by DoD Component	2018	2019	A 2018-19			
Air National Guard Flying Hour Costs	5.631	3.473	(2.158)			
Army National Guard Flying Hour Costs	35.661	32.296	(3.365)			
Air Force Flying Hour Costs	28.786	8.240	(20.546)			
Air Force Reserve Flying Hour Costs	11.021	7.500	(3.521)			
Army Flying Hour Costs	2.083	1.306	(0.777)			
Navy Flying Hour Costs	9,801	13.705	+ 3.904			
Navy Steaming Hour Costs	0.749	1.368	+ 0.544			
TOTAL Costs	93.732	67.888	(25.844)			

Source: DoD OPTEMPO Data Source Systems of Record (see Data Sources).

Explanation for not meeting performance target (if applicable): Combatant Commanders must balance support to CD operations with other critical national defense priorities. Unlike other DoD CD activities that are financed via the Drug Interdiction. and Counterdrug Activities, Defense appropriation, OPTEMPO support is funded and managed by the individual Military Services, and subject to DoD Global Force Management Allocation Plan (GFMAP) asset allocation decisions. Similarly, National Guard aviation assets are subject to Adjutants Generals' state priorities as well as Federal mobilization requirements.

Corrective actions to implement in FY 2020 (if applicable): U.S. Armed Services OPTEMPO support of CD operations is dependent upon national security priorities and limited aerial and maritime assets. To maximize the effectiveness of limited resources, a more detailed analysis of the amount, type, and location of provided OPTEMPO support could assist JIATF-S and other customers in determining what assets, or combination of assets have been the most effective historically at various locations. Results of such an analysis could prove be useful to management and operational leaders in making asset allocation and investment decisions related to DoD D&M and other CD operations.

#### Data sources:

#### OPTEMPO Data Source Systems of Record

Military Service	Funding Data	Flight/Steaming Hours Data
U.S. National Guard	Full-Time Support Management Control System (FTSMCS)	Full-Time Support Management Control System (FTSMCS)
US Air Force	Defense Enterprise Accounting and Management System (DEAMS)	Commander's Resource Integration System (CRIS)
LLS. Army	General Funds Enterprise Business Systems (GFEBS)	Centralized Aviation Flight Records System (CAFRS)
U.S. Navy	Budget Operating Target (OPTAR) Reports (BOR)	Aviation Storekeeper Information Tracking (ASKIT) Global Force Mapping Allocation Plan (GFMAP

Procedures to ensure data quality: This performance measure entails at least eight different systems of record from four Military Service Components. There is an assumption that DoD Components have established acceptable data assurance standards for agency systems of record. However, CN&GT cannot independently verify the application of such standards for FY 2019. In FY 2020, CN&GT plans to have each applicable Service Component provide a map of the end-to-end data entry process from equipment operator (aircraft or ship) log book to the CN&GT resources intranet database. By more clearly documenting Component processes, procedures, checklists, and points of contact, CN&GT will be able to cite procedures used to ensure data quality.

FY 2020 Target Methodology: CD OPTEMPO hour targets are calculated using a fiveyear moving average of historical results.

18

### **Whistleblower Protection**

#### U.S. DEPARTMENT OF DEFENSE

The Whistleblower Protection Ombudsman's role is to educate agency employees about prohibitions on retaliation and employees' rights and remedies available for reprisal.

The DoD Hotline Director is the designated ombudsman.

For more information, please visit the Whistleblower webpage at www.dodig.mil/programs/whistleblower.

# For more information about DoD IG reports or activities, please contact us:

#### **Congressional Liaison**

congressional@dodig.mil; 703.604.8324

#### **Media Contact**

public.affairs@dodig.mil; 703.604.8324

#### **For Report Notifications**

www.dodig.mil/pubs/email\_update.cfm

#### **Twitter**

www.twitter.com/DoD\_IG

#### **DoD Hotline**

www.dodig.mil/hotline





## DEPARTMENT OF DEFENSE | INSPECTOR GENERAL

4800 Mark Center Drive Alexandria, VA 22350-1500 www.dodig.mil DoD Hotline 1.800.424.9098



# Tab D

## DEPARTMENT OF EDUCATION



# DETAILED ACCOUNTING OF FISCAL YEAR 2019 DRUG CONTROL FUNDS

IN SUPPORT OF THE

NATIONAL DRUG CONTROL STRATEGY

AS REQUIRED BY SECTION 705(d) OF THE OFFICE OF NATIONAL

DRUG CONTROL POLICY REAUTHORIZATION ACT OF 1998

(21 U.S.C. 1704(d))

**FEBRUARY 7, 2020** 

#### **DEPARTMENT OF EDUCATION**

#### **DETAILED ACCOUNTING OF FISCAL YEAR 2019 DRUG CONTROL FUNDS**

### TABLE OF CONTENTS

Transmittal Letter	1
Table of Prior-Year Drug Control Obligations	2
Program Description	2
Disclosures	3
Drug Methodology	3
Obligations by Drug Control Function	3
Obligations by Budget Decision Unit	3
Methodology Modifications	3
Material Weaknesses or Other Findings	3
Reprogrammings or Transfers	3
Other Disclosures	3
Assertions	4
Obligations by Decision Unit	4
Drug Methodology	4
Data	4
Financial Systems	4
Application of Drug Methodology	4
Material Weaknesses or Other Findings	4
Methodology Modifications	4
Reprogrammings or Transfers	5
Fund Control Notices	5



#### UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF FINANCE AND OPERATIONS

February 7, 2020

Dr. Terry Zobeck
Deputy Assistant Director
Office of Performance and Budget
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Dr. Zobeck:

In accordance with section 705(d) of the Office of National Drug Control Policy (ONDCP) Reauthorization Act of 1998 (21 U.S.C. 1704(d)), enclosed please find the Department of Education's accounting of fiscal year 2019 drug control funds in support of the National Drug Control Strategy. As indicated in the enclosed letter (dated December 26, 2019) from Byron Gordon, Assistant Inspector General for Audit, the Department's Office of Inspector General has chosen not to conduct an authentication review of this fiscal year 2019 accounting of funds.

Sincerely,

Larry Kean

Director, Budget Service

**Enclosure** 

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

Fiscal Year 2019 Obligations (in millions)

Drug Resources by Function Prevention Total	\$ <u>57.547</u> 57.547
Drug Resources by Decision Unit School Safety National Activities Total	\$ <u>57.547</u> 57.547

#### PROGRAM DESCRIPTION

A subset of projects funded under School Safety National Activities, which is a broad discretionary authority under Title IV, Part F, Section 4631 of the Elementary and Secondary Education Act (ESEA), as amended, comprise the only Department of Education activities included in the national drug control budget in fiscal year 2019. School Safety National Activities support a range of strategies to assist State and local efforts to improve students' safety and well-being.

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

In addition to activities that include drug prevention, School Safety National Activities carried out by the Department in 2019 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) a small number of miscellaneous other school safety activities; and (5) Mental Health Service Professional Demonstration Grants, which help increase the number of counselors and other mental health professionals to provide services to students in high-need school districts. Although the Department obligated funds for all five of these activities in fiscal year 2019, 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 2019 obligations of funds under School Safety National Activities, with the exception of activities that have no clear drug control nexus. Accordingly, the amounts in the enclosed table of prior-year drug control obligations include all funding for School Safety National Activities, with the exclusion of obligations of funds for (1) Project SERV; (2) Project Prevent; (3) School Emergency Management Activities; (4) miscellaneous other school safety activities; and (5) Mental Health Service Professional Demonstration Grants.

#### 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 2019 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 2019.

#### Other Disclosures

The Department acknowledges the following limitation in the methodology described above for deriving the obligations of fiscal year 2019 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 2019 obligations of drug control funds shown in this report for the School Safety National Activities drug budget decision unit are the actual 2019 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 2019 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 2019 obligations of drug control funds presented in the table on page 2 of this report. Where assumptions based on professional judgment were used as part of the drug methodology, the association between these assumptions and the drug control obligations being estimated is thoroughly explained and documented in the drug methodology disclosure and in the other disclosures on page 3 of this accounting report.

#### Financial Systems

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

#### **Application of Drug Methodology**

The methodology disclosed in the narrative of this report was the actual methodology used to generate the fiscal year 2019 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 2019 drug-related obligations in this report. The limitation of the methodology described above for deriving the obligations of fiscal year 2019 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 2018 and fiscal year 2019.

#### **Reprogrammings or Transfers**

There were no reprogrammings or transfers of Department of Education drug control funds in fiscal year 2019. However, subsequent to ONDCP's approval of the Department's fiscal year 2019 financial plan, the Department reallocated various funds across activities within School Safety National Activities. As a result of these reallocations the Department's drug control budgetary resources increased by \$2,779,205, from \$54,767,401 (as estimated in the financial plan) to the final amount of \$57,546,606.

#### **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** 

December 26, 2019

TO:

Larry Kean

Director, Office of Budget Service Office of Finance and Operations

Paul Kesner

Acting Director, Office of Safe and Healthy Students Office of Elementary and Secondary Education

FROM:

**Bryon Gordon** 

**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 2019 Drug Control Funds and Related

**Performance** 

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

This is to notify you that we have chosen not to authenticate the material noted for the fiscal year ending September 30, 2019.

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

# **U.S. Department of Education**



# Performance Summary Report Fiscal Year 2019

In Support of the

National Drug Control Strategy

March 13, 2020

## U.S. Department of Education

## **Performance Summary Report for Fiscal Year 2019**

## TABLE OF CONTENTS

Transmittal Letter	1
Performance Summary Information	2
School Climate Transformation LEA Grants (FY 2014 Cohort)	.2
School Climate Transformation LEA Grants (FY 2019 Cohort)	.6
Assertions	9
Criteria for Assertions 1	10



#### UNITED STATES DEPARTMENT OF EDUCATION

#### OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

March 13, 2020

Dr. Terry Zobeck
Deputy Assistant Director
Office of Performance and Budget
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Terry:

As required by Office of National Drug Control Policy Circular National Drug Control Program Agency Compliance Reviews, enclosed please find detailed information about performance-related measures for a key drug control program administered by the U.S. Department of Education, in accordance with the guidelines in the circular dated October 22, 2019. This information covers the School Safety National Activities program, which is the Drug Control Budget Decision Unit under which budgetary resources for the Department of Education (ED) are included in the National Drug Control Budget.

As indicated in the enclosed letter (dated December 26, 2019) from Byron Gordon, Assistant Inspector General for Audit, the Department's Office of Inspector General has chosen not to conduct an authentication review of this fiscal year 2019 performance summary report.

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

Paul Kesner

Director

Sincere

Office of Safe and Supportive Schools

400 MARYLAND AVE., S.W., WASHINGTON, D.C. 20202 www.ed.gov

#### **FY 2019 Performance Summary Information**

#### School Climate Transformation Grant – Local Educational Agency Grants Program 2014 Cohort

In FY 2014 the Department made the first round of awards under the School Climate Transformation Grant – Local Educational Agency (LEA) Grants program to 71 school districts in 23 states, Washington, D.C., and the U.S. Virgin Islands. The funds are being used to develop, enhance, and expand systems of support for implementing evidence-based, multi-tiered behavioral frameworks for improving behavioral outcomes and learning conditions for students. The goals of the program are to connect children, youths, and families to appropriate services and supports; improve conditions for learning and behavioral outcomes for school-aged youths; and increase awareness of and the ability to respond to mental-health issues among school-aged youths.

School districts are using these funds to implement models for reform and evidence-based practices that address the school-to-prison pipeline—the unfortunate and often unintentional policies and practices that push our nation's schoolchildren, especially those who are most at-risk, out of classrooms and into the juvenile and criminal justice systems. The grants provide funding for up to five years, for a total of nearly \$180 million. The final year of a five-year funding cycle was made to these grantees in FY 2018.

Drug prevention is an allowable activity. Indeed, grantees are encouraged, as part of their local needs-assessment, to measure student drug use along with other relevant issues and problems. The local needs-assessment is also being used by grantees to help identify and select the most appropriate evidence-based practices. If the needs-assessment indicates that drug abuse is an issue for students, drug abuse prevention should be addressed as part of implementation of a multi-tiered behavioral framework.

The Department developed a variety of measures to assess the performance of the 2014 cohort of School Climate Transformation Grants to LEAs, including (1) measures related to increasing the capacity of LEAs to implement a multitiered, decision-making framework to improve behavioral and learning outcomes and (2) measures to demonstrate the progress of LEAs in achieving these outcomes as evidenced by decreasing student disciplinary actions and increased student attendance. Among those measures, the two discussed below are the most directly related to the drug prevention function of this program.

**Measure 1**: The number and percentage of schools that report an annual decrease in suspensions and expulsions, including those related to possession or use of drugs or alcohol.

Table 1

Year	Number Target	Number Actual	Percentage Target	Percentage Actual
2015				
2016		524		51%
2017	540	698	53%	59%
2018	719	781	61%	53%
2019	804		63%	

<u>The Measure</u>. ED established several GPRA performance measures for assessing the effectiveness of the 2014 cohort of School Climate Transformation Grants to LEAs. Two measures were related to addressing the goals of the National Drug Control Strategy. This measure was one of the two selected for that purpose.

It is expected that grantees may show progress in meeting this measure due to improvement in school climate that results in a decrease in actual student use of drugs or alcohol, and as a result these students do not face disciplinary action for such use. Alternatively, grantees may show progress because they change their disciplinary approach to student drug or alcohol use and take a more supportive disciplinary approach to addressing the behavior, rather than relying on suspensions and expulsions.

<u>FY 2019 Performance Results</u>. Of the 70 grantees, 43 are currently on a No-Cost Extension. The final year data (2019) should be available less than a year from now and will be included in the Department's 2020 Performance Summary Report.

#### FY 2020 Performance Target. Not Applicable.

Grantees are not required to collect and report to the Department disaggregated data corresponding to such suspensions and expulsions that are related to possession or use of alcohol or drugs only, but some grantees voluntarily report. Accordingly, beginning with the 2016 baseline data available for this performance measure, the Department is reporting in the tables below on the number and percentage of schools that report an annual decrease in suspensions and expulsions related to possession or use of alcohol (only) and on the number and percentage of schools that report an annual decrease in suspensions and expulsions related to possession or use of other drugs (only), for the grantees that provide that more detailed data.

NOTE: As grantees are not required to collect this data, nor do all grantees collect it, no targets are set.

**Table 2:** Number and percentage of schools that report an annual decrease in suspensions and expulsions related to possession or use of alcohol only (out of a total of 70 grantees, 31 reported these data for 2016, and 6 reported for 2017). No grantee voluntarily reported these data for FY 2018. If any grantees report data for FY 2019, those data will be included in the Department's 2020 Performance Summary Report.

Cohort	FY2014 Actual		FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual
2014	n/a	n/a	184	17		
			40%	41%		

**Table 3:** Number and percentage of schools that reported an annual decrease in suspensions and expulsions related to possession or use of other drugs only (out of a total of 70 grantees, 32 reported these data points for 2016, and 8 reported for 2017). No grantees voluntarily reported these data for FY 2018. If any grantees report data for FY 2019, those data will be included in the Department's 2020 Performance Summary Report.

Cohort	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
	Actual	Actual	Actual	Actual	Actual	Actual
2014	n/a	n/a	204 41%	19 20%		

**Table 4:** Number and percentage of schools that reported an annual decrease in suspensions and expulsions related to possession or use of alcohol and/or other drugs (out of a total of 70 grantees, 41 reported these data for 2016, and 21 reported for 2017). No grantees voluntarily reported these data for FY 2018. If any grantees report data for FY 2019, those data will be included in the Department's 2020 Performance Summary Report.

Cohort	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual
2014	n/a	n/a	269	201		
			44%	46%		

**Measure 2**: The number and percentage of schools annually that are implementing the multi-tiered behavioral framework (MTBF) with fidelity.

Table 5

Year	Number Target	Number Actual	Percentage Target	Percentage Actual
2015		512		45%
2016	589	584	52%	55%
2017	677	814	60%	65%
2018	936	920	69%	64%
2019	1,077		79%	

<u>The Measure</u>. ED established several GPRA performance measures for assessing the effectiveness of the 2014 cohort of School Climate Transformation Grants to LEAs. Two measures were related to addressing the goals of the National Drug Control Strategy. This measure was one of the two selected for that purpose.

Although schools have long attempted to address issues of student disruptive and problem behavior (including substance use, violence, and bullying), the vast majority of our Nation's schools have not implemented comprehensive, effective supports that address the full range of students' social, emotional, and behavioral needs. Research demonstrates that the implementation of an evidence-based, multi-tiered behavioral framework, such as Positive Behavioral Interventions and Supports (PBIS), can help improve overall school climate and safety. A key aspect of this multi-tiered approach is providing differing levels of support and interventions to students based on their needs. Certain supports involve the whole school (e.g., consistent rules, consequences, and reinforcement of appropriate behavior), with more intensive supports for groups of students exhibiting at-risk behavior, and individualized services for students who continue to exhibit troubling behavior.

This second measure supports the drug prevention function of this program because a school that is implementing a multi-tiered behavioral framework with fidelity can be expected to be a school where any prevention program(s) – including drug prevention program(s) – selected for implementation is (1) an evidence-based program and (2) has an improved chance of being implemented more effectively. This measure is designed to inform whether the LEA School Climate Transformation Grants result in such increased capacity.

<u>FY 2019 Performance Results</u>. Of the 70 grantees, 43 are currently on a No-Cost Extension. The final year data (2019) should be available in less than a year from now and will be included in the Department's 2020 Performance Summary Report.

#### FY 2020 Performance Target. Not Applicable.

Methodology. These measures constitute the Department's indicators of success for the School Climate Transformation Grant – Local Educational Agency Grants program. Consequently, we advised applicants for a grant under this program to give careful consideration to these measures in conceptualizing the approach and evaluation for their proposed program. Each grantee is required to provide, in its annual performance and final reports, data about progress in meeting these measures.

To receive funds after the initial year of a multi-year award, grantees must submit an annual continuation performance report that describes the progress the project has made toward meeting the predefined benchmarks and milestones. This performance report also provides program staff with data related to the GPRA measures established for the program.

Authorized representatives for the grant site sign the annual performance report and, in doing so, certify that to the best of their knowledge and belief, all data in the performance report are true and correct and that the report fully discloses all known weaknesses concerning the accuracy, reliability, and completeness of the data included. Generally, the Department relies on the certification concerning data supplied by grantees and will not conduct further reviews unless data quality concerns arise.

The ED-funded Technical Assistance Center on Positive Behavioral Interventions and Supports (www.pbis.org) is providing training and technical assistance to grantees on data collection.

#### School Climate Transformation Grant – Local Educational Agency Grants Program 2019 Cohort

In FY 2019 the Department made a new round of awards under the School Climate Transformation Grant – Local Educational Agency (LEA) Grants program to 69 school districts. The grants provide funding for up to five years, for a total of nearly \$218 million. The funds are being used to develop, enhance, or expand systems of support for, and technical assistance to, schools implementing a multi-tiered system of support for improving school climate. The goals of the program are to connect children, youth, and families to appropriate services and supports; improve conditions for learning and behavioral outcomes for schoolaged youth; and increase awareness of and the ability to respond to mental-health issues among school-aged youth.

The Department established the following performance measures for the 2019 cohort of LEA School Climate Transformation Grants that relate to addressing the goals of the National Drug Control Strategy, and baseline data (for the first two of these measures) will be available at the end of 2020.

- **Measure 1**. The number and percentage of schools annually that are implementing a multitiered system of support framework with fidelity.
- **Measure 2**. The number and percentage of schools annually that are implementing opioid abuse prevention and mitigation strategies.
- Measure 3. The number and percentage of schools that report an annual decrease in suspensions and expulsions related to possession or use of alcohol.
- Measure 4. The number and percentage of schools that report an annual decrease in suspensions and expulsions related to possession or use of other drugs.

<u>The Measures</u>. ED established several GPRA performance measures for assessing the effectiveness of the 2019 cohort of the School Climate Transformation Grants to LEAs program. The four measures above relate to addressing the goals of the National Drug Control Strategy.

Although schools have long attempted to address issues of student disruptive and problem behavior (including substance use, violence, and bullying), the vast majority of our Nation's schools have not implemented comprehensive, effective supports that address the full range of students' social, emotional, and behavioral needs. Research demonstrates that the implementation of an evidence-based, multi-tiered systems of support, such as Positive Behavioral Interventions and Supports (PBIS), can help improve overall school climate and safety. A key aspect of this multi-tiered approach is providing differing levels of support and interventions to students based on their needs. Certain supports involve the whole school (e.g., consistent rules, consequences, and reinforcement of appropriate behavior), with more intensive supports for groups of students exhibiting at-risk behavior and individualized services for students who continue to exhibit troubling behavior.

Measure 1 above supports the drug prevention function of this program because a school that is implementing a multi-tiered behavioral framework with fidelity can be expected to be a school where any prevention program(s) – including drug prevention program(s) – selected for implementation is (1) an evidence-based program and (2) has an improved chance of being implemented more effectively. This measure is designed to inform whether the LEA School Climate Transformation Grants result in such increased capacity.

Measure 2 addresses the opioid crisis and its devastation on families and communities across the United States, and the Administration believes that schools can play an important role in both preventing opioid abuse and addressing the mental health and other needs of students affected by the epidemic. Accordingly, in the Department's FY 2019 competition for School Climate Transformation Grants to LEAs, the Department included a competitive preference priority for applicants that proposed to implement opioid abuse prevention and/or mitigation strategies.

More specifically, to be considered for the competitive preference priority points, applicants were required to propose a plan describing how the LEA would use funds to implement evidence-based strategies for preventing opioid abuse by students, and/or address the mental health needs of students who are negatively impacted by family or community members who are (or have been) abusers. The plan could also include providing technical assistance to, or support for, schools that implement or plan to implement high-quality approaches to opioid abuse prevention such as the Screening, Brief Intervention, and Referral to Treatment (SBIRT) approach supported by the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Post-award, grantees that received competitive preference points under the priority will finalize and implement their plan.

Sixty-eight of the 69 grantees addressed this priority. Measure 2 is designed to drill down below the grantee (i.e., LEA) level to determine how many (and what percentage of) schools served by the grant are implementing opioid abuse prevention and mitigation strategies.

Regarding Measures 3 and 4, as in the similar measures for the 2014 cohort of School Climate Transformation Grants to LEAs, it is expected that grantees may show progress in meeting this measure due to improvement in school climate that results in a decrease in actual student use of drugs or alcohol, and as a result these students do not face disciplinary action for such use. Alternatively, grantees may show progress within their disciplinary approach to student drug or alcohol use and take a more supportive disciplinary approach to addressing the behavior, rather than relying on suspensions and expulsions.

<u>FY 2019 Performance Results</u>. There are no FY 2019 performance data to report for the above four measures, as grantees were not required to report baseline data as part of their applications.

<u>FY 2020 Performance Target</u>. Performance targets have not been set for the above four measures because baseline data are not yet available. FY 2020 and later targets will be set beginning in 2020, once baseline data are available for the FY 2019 grant cohort.

<u>Methodology</u>. These measures constitute the Department's indicators of success for the School Climate Transformation Grant – Local Educational Agency Grants program. Consequently, we advised applicants for a grant under this program to give careful consideration to these measures in conceptualizing the approach and evaluation for their proposed program. Each grantee is required to provide, in its annual performance and final reports, data about progress in meeting these measures.

To receive funds after the initial year of a multi-year award, grantees must submit an annual continuation performance report that describes the progress the project has made toward meeting the predefined benchmarks and milestones. This performance report also provides program staff with data related to the GPRA measures established for the program.

Authorized representatives for the grant site sign the annual performance report and, in doing so, certify that to the best of the signer's knowledge and belief, all data in the performance report were true and correct and that the report fully disclosed all known weaknesses concerning the accuracy, reliability, and completeness of the data included. Generally, the Department relies on the certification concerning data supplied by grantees and will not conduct further reviews, unless data quality concerns arise. The ED-funded Technical Assistance Center on Positive Behavioral Interventions and Supports (www.pbis.org) is providing training and technical assistance on data collection.

#### **Assertions**

#### Performance Reporting System

The Department of Education has a system in place to capture performance information accurately and that system was properly applied to generate the performance data in this report. In instances in which data are supplied by grantees as part of required periodic performance reports, the data that are supplied are accurately reflected in this report.

Data related to the drug control programs included in this Performance Summary Report for Fiscal Year 2019 are recorded in the Department of Education's software for recording performance data and are an integral part of our budget and management processes.

#### **Explanations for Not Meeting Performance Targets**

This section is not applicable, because (as acknowledged above) the Department does not yet have FY 2019 performance results.

#### Methodology for Establishing Performance Targets

This section is not applicable, because (for the reasons explained above) there are no FY 2020 targets included in this report.

#### Performance Measures for Significant Drug Control Activities

The Department of Education has established at least one acceptable performance measure for the Drug Control Decision Unit identified in its Detailed Accounting of Fiscal Year 2019 Drug Control Funds.

#### **Criteria for Assertions**

#### <u>Data</u>

No workload or participant data support the assertions provided in this report. Sources of quantitative data used in the report are well documented. These data are the most recently available and are identified by the year in which the data was collected.

#### Other Estimation Methods

No estimation methods other than professional judgment were used to make the required assertions. When professional judgment was used, the objectivity and strength of those judgments were explained and documented. Professional judgment was used to establish targets for programs until data from at least one grant cohort were available to provide additional information needed to set more accurate targets. We routinely re-evaluate targets set using professional judgment as additional information about actual performance on measures becomes available.

#### Reporting Systems

Reporting systems that support the above assertions are current, reliable, and an integral part of the Department of Education's budget and management processes. Data collected and reported for the measures discussed in this report are stored, or will be stored, in the Department of Education's PPI-JIRA (Program Performance Information) system. Data from PPI-JIRA are used in developing annual budget requests and justifications.



## UNITED STATES DEPARTMENT OF EDUCATION OFFICE OF INSPECTOR GENERAL

**Audit Services** 

December 26, 2019

TO: Larry Kean

Director, Office of Budget Service Office of Finance and Operations

Paul Kesner

Director, Office of Safe and Supportive Schools Office of Elementary and Secondary Education

FROM: Bryon Gordon

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 2019 Drug Control Funds and Related

Performance

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

This is to notify you that we have chosen not to authenticate the material noted for the fiscal year ending September 30, 2019.

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

## Tab E



TO: Director

Office of National Drug Control Policy

FROM: Naomi Goldstein

> Assistant Secretary for Planning, Research, and Evaluation Office of Planning, Research, and Evaluation (OPRE)

SUBJECT: Assertions Concerning Fiscal Year 2019

> Performance Summary Report National Drug Control Activities: Regional Partnership Grants

(RPG)

In accordance with the requirement of the Office of National Drug Control Policy circular, "Accounting of Drug Control Funding and Performance Summary," I make the following assertions regarding the attached fiscal year (FY) 2019 Performance Summary Report for National Drug Control Activities for the RPG:

#### **Performance Reporting System**

I assert that the RPG has a system to capture performance information accurately and that this system was properly applied to generate the performance data presented in the attached report.

#### **Methodology to Establish Performance Targets**

I assert that the methodology used to establish performance measure targets presented in the attached report is reasonable given past performance and available resources.

#### Performance Measures Exist for All Significant Drug Control Activities

I assert that adequate performance measures and targets exist for all significant drug control activities. Since FY 2014, ACF has reported one performance measure for drug control activities.

Masmi goldstein 2020.03.23 08:10:10-04'00'

Naomi Goldstein

Assistant Secretary for Planning, Research, and Evaluation Office of Planning, Research, and Evaluation (OPRE) Administration for Children and Families (ACF)



TO: Director

Office of National Drug Control Policy

FROM: Naomi Goldstein

> Assistant Secretary for Planning, Research, and Evaluation Office of Planning, Research, and Evaluation (OPRE)

SUBJECT: Assertions Concerning Fiscal Year 2019

> Performance Summary Report National Drug Control Activities: Regional Partnership Grants

(RPG)

In accordance with the requirement of the Office of National Drug Control Policy circular, "Accounting of Drug Control Funding and Performance Summary," I make the following assertions regarding the attached fiscal year (FY) 2019 Performance Summary Report for National Drug Control Activities for the RPG:

#### **Performance Reporting System**

I assert that the RPG has a system to capture performance information accurately and that this system was properly applied to generate the performance data presented in the attached report.

#### **Methodology to Establish Performance Targets**

I assert that the methodology used to establish performance measure targets presented in the attached report is reasonable given past performance and available resources.

#### Performance Measures Exist for All Significant Drug Control Activities

I assert that adequate performance measures and targets exist for all significant drug control activities. Since FY 2014, ACF has reported one performance measure for drug control activities.

Masmi goldstein 2020.03.23 08:10:10-04'00'

Naomi Goldstein

Assistant Secretary for Planning, Research, and Evaluation Office of Planning, Research, and Evaluation (OPRE) Administration for Children and Families (ACF)

# DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families

#### **Transmittal Letter**

#### **Budget Submission**

In FY 2020, ACF appropriation level is \$30 million for drug control activities, a decrease of \$10 million from the FY 2019 level.

The FY 2021 request for the Promoting Safe and Stable Families (PSSF) program on the mandatory side, is \$60 million, to continue the success of earlier (Regional Partnership Grants) RPGs and support state efforts to reduce foster care placements due to parental substance use. Adult substance use disorders, including opioid use disorder, remain a major and growing factor for involvement in the child welfare system and in out-of-home placements. The RPG program represents the only source of funding specifically focused on the intersection of substance use disorders, including opioid addiction, and child welfare involvement.

Resource Summary	FY 2019	FY 2020	FY 2021
	Actual	Enacted	President
			Budget
Drug Resources by Decision Unit and Function			
Regional Partnership Grants (RPG)			
Prevention			
	\$40.000	\$30.000	\$60.000
Total Funding	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary			
Total FTEs (direct only)			
	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget			
	\$62,000	\$60,000	\$55,000
Drug Resources Percentage	0.00%	0.00%	0.00%

## DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families

Resource Summary	FY 2019 Actual	FY 2020 Enacted	FY 2021 President Budget
Drug Resources by Decision Unit and Function			
Regional Partnership Grants (RPG)			
Prevention	\$40.000	\$30.000	\$60.000
Total Funding	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget	\$62,000	\$60,000	\$55,000
Drug Resources Percentage	0.00%	0.00%	0.00%

#### **Program Summary**

#### **MISSION**

The Administration for Children and Families (ACF), within the Department of Health and Human Services (HHS), is responsible for Federal programs that promote the economic and social well-being of families, children, individuals, and communities. The mission of ACF is to foster health and well-being by providing Federal leadership, partnership, and resources for the compassionate and effective delivery of human services.

#### **METHODOLOGY**

The Targeted Grants To Increase the Well-Being of, and To Improve the Permanency Outcomes for, Children Affected by Methamphetamine or Other Substance Abuse within the Promoting Safe and Stable Families (PSSF) program was established by The Child and Family Services Improvement Act of 2006 (Public Law 109-288). In 2011, these grants were renamed Targeted Grants to Increase the Well-Being of, and To Improve the Permanency Outcomes for, Children Affected by Substance Abuse and reauthorized through FY 2016 as part of The Child and Family Services Improvement and Innovation Act of 2011 (Public Law 112-34). In 2018, these grants were renamed Targeted Grants to Implement IV-E Prevention Services, and Improve the Well-Being of, and Improve the Permanency Outcomes for, Children Affected by Heroin, Opioids, and other Substance Abuse and reauthorized through FY 2021 as part of the Bipartisan Budget Act of 2018 (Public Law 115-123). Grants funded under this program support regional partnerships in establishing or enhancing a collaborative infrastructure to build the region's capacity to meet a broad range of needs for families involved with substance use and the child welfare system.

#### **BUDGET SUMMARY**

In FY 2020, ACF appropriation level is \$30 million for drug control activities, a decrease of \$10 million from the FY 2019 level.

#### Regional Partnership Grants (RPG)

FY 2020 Actual: \$30 million

The Promoting Safe and Stable Families program will continue to support state efforts to reduce foster care placements due to parental substance use. Adult Substance Use Disorders (SUD), including opioid addiction, remain a major and growing factor for involvement in the child welfare system and in out-of-home placements. The RPG program represents the only source of funding specifically focused on the intersection of SUDs, including Opioid Use Disorder (OUD), and at risk for or child welfare involved. In the mandatory side there are \$20 million reserved for the RPG Program to provide services and activities to benefit children and families affected by a parent's or caretaker's SUD, including OUD, who are at risk for or involved with child welfare system. In FY 2018 and FY 2019, the RPG Program received an additional \$20 million appropriation above the authorized funding level.

#### **PERFORMANCE**

Information regarding the performance of the drug control efforts of ACF is based on agency Government Performance and Results Modernization Act (GPRMA) documents and other agency information that measures the agency's contribution to the FY 2018 – 2022 HHS Strategic Plan. The table and accompanying text represent highlights of its achievements and includes performance measures and targets for FY 2018, the latest year for which data are available.

Administration for Children and Families						
Selected Measure of Performance	FY14 Target	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY18 Actual
» Of all children who exit foster care in less than 24 months, percentage who exit to permanency (reunification, living with a relative, guardianship, or adoption)	91.6%	91.9%	92.0%	92.2%	92.4%	92.9%

Since funding for RPG is part of the larger PSSF program, ACF considers those activities to be part of the larger program performance goals, which includes the key measure in the table above. In FY 2018, ACF placed 92.9 percent of all children who exited foster care in less than 24 months into a permanent living arrangement by reunification, living with a relative, guardianship, or adoption. Future targets for this performance measure through FY 2021 are to improve by at least 0.2 percentage points over the previous year's actual result.

# DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families

#### **Transmittal Letter**

#### **Budget Submission**

In FY 2020, ACF appropriation level is \$30 million for drug control activities, a decrease of \$10 million from the FY 2019 level.

The FY 2021 request for the Promoting Safe and Stable Families (PSSF) program on the mandatory side, is \$60 million, to continue the success of earlier (Regional Partnership Grants) RPGs and support state efforts to reduce foster care placements due to parental substance use. Adult substance use disorders, including opioid use disorder, remain a major and growing factor for involvement in the child welfare system and in out-of-home placements. The RPG program represents the only source of funding specifically focused on the intersection of substance use disorders, including opioid addiction, and child welfare involvement.

Resource Summary	FY 2019 Actual	FY 2020 Enacted	FY 2021 President
	Actual	Lilacteu	Budget
Drug Resources by Decision Unit and Function			
Regional Partnership Grants (RPG)			
Prevention	\$40.000	\$30.000	\$60.000
Total Funding	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	_	_	_
	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget			
	\$62,000	\$60,000	\$55,000
Drug Resources Percentage	0.00%	0.00%	0.00%

## DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families

Resource Summary	FY 2019 Actual	FY 2020 Enacted	FY 2021 President Budget
Drug Resources by Decision Unit and Function			
Regional Partnership Grants (RPG)			
Prevention	\$40.000	\$30.000	\$60.000
Total Funding	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget	\$62,000	\$60,000	\$55,000
Drug Resources Percentage	0.00%	0.00%	0.00%

#### **Program Summary**

#### **MISSION**

The Administration for Children and Families (ACF), within the Department of Health and Human Services (HHS), is responsible for Federal programs that promote the economic and social well-being of families, children, individuals, and communities. The mission of ACF is to foster health and well-being by providing Federal leadership, partnership, and resources for the compassionate and effective delivery of human services.

#### **METHODOLOGY**

The Targeted Grants To Increase the Well-Being of, and To Improve the Permanency Outcomes for, Children Affected by Methamphetamine or Other Substance Abuse within the Promoting Safe and Stable Families (PSSF) program was established by The Child and Family Services Improvement Act of 2006 (Public Law 109-288). In 2011, these grants were renamed Targeted Grants to Increase the Well-Being of, and To Improve the Permanency Outcomes for, Children Affected by Substance Abuse and reauthorized through FY 2016 as part of The Child and Family Services Improvement and Innovation Act of 2011 (Public Law 112-34). In 2018, these grants were renamed Targeted Grants to Implement IV-E Prevention Services, and Improve the Well-Being of, and Improve the Permanency Outcomes for, Children Affected by Heroin, Opioids, and other Substance Abuse and reauthorized through FY 2021 as part of the Bipartisan Budget Act of 2018 (Public Law 115-123). Grants funded under this program support regional partnerships in establishing or enhancing a collaborative infrastructure to build the region's capacity to meet a broad range of needs for families involved with substance use and the child welfare system.

#### **BUDGET SUMMARY**

In FY 2020, ACF appropriation level is \$30 million for drug control activities, a decrease of \$10 million from the FY 2019 level.

#### Regional Partnership Grants (RPG)

FY 2020 Actual: \$30 million

The Promoting Safe and Stable Families program will continue to support state efforts to reduce foster care placements due to parental substance use. Adult Substance Use Disorders (SUD), including opioid addiction, remain a major and growing factor for involvement in the child welfare system and in out-of-home placements. The RPG program represents the only source of funding specifically focused on the intersection of SUDs, including Opioid Use Disorder (OUD), and at risk for or child welfare involved. In the mandatory side there are \$20 million reserved for the RPG Program to provide services and activities to benefit children and families affected by a parent's or caretaker's SUD, including OUD, who are at risk for or involved with child welfare system. In FY 2018 and FY 2019, the RPG Program received an additional \$20 million appropriation above the authorized funding level.

#### **PERFORMANCE**

Information regarding the performance of the drug control efforts of ACF is based on agency Government Performance and Results Modernization Act (GPRMA) documents and other agency information that measures the agency's contribution to the FY 2018 – 2022 HHS Strategic Plan. The table and accompanying text represent highlights of its achievements and includes performance measures and targets for FY 2018, the latest year for which data are available.

Administration for Children and Families						
Selected Measure of Performance	FY14 Target	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY18 Actual
» Of all children who exit foster care in less than 24 months, percentage who exit to permanency (reunification, living with a relative, guardianship, or adoption)	91.6%	91.9%	92.0%	92.2%	92.4%	92.9%

Since funding for RPG is part of the larger PSSF program, ACF considers those activities to be part of the larger program performance goals, which includes the key measure in the table above. In FY 2018, ACF placed 92.9 percent of all children who exited foster care in less than 24 months into a permanent living arrangement by reunification, living with a relative, guardianship, or adoption. Future targets for this performance measure through FY 2021 are to improve by at least 0.2 percentage points over the previous year's actual result.

# DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families

#### **Transmittal Letter**

#### **Budget Submission**

In FY 2020, ACF appropriation level is \$30 million for drug control activities, a decrease of \$10 million from the FY 2019 level.

The FY 2021 request for the Promoting Safe and Stable Families (PSSF) program on the mandatory side, is \$60 million, to continue the success of earlier (Regional Partnership Grants) RPGs and will support state efforts to reduce foster care placements due to parental substance use. Adult substance use disorders, including opioid use disorder, remain a major and growing factor for involvement in the child welfare system and in out-of-home placements. The RPG program represents the only source of funding specifically focused on the intersection of substance use disorders, including opioid addiction, and child welfare involvement.

Resource Summary	FY 2019	FY 2020	FY 2021
	Actual	Enacted	President
			Budget
Drug Resources by Decision Unit and Function			
Regional Partnership Grants (RPG)			
Prevention			
	\$40.000	\$30.000	\$60.000
Total Funding	\$40.000	\$30.000	¢60 000
Total Funding	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary	\$40.000	\$30.000	\$60.000
	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary	2	2	2
Drug Resources Personnel Summary		•	
Drug Resources Personnel Summary Total FTEs (direct only)		•	
Drug Resources Personnel Summary  Total FTEs (direct only)  Drug Resources as a Percent of Budget		•	

## DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families

Resource Summary	FY 2019 Actual	FY 2020 Enacted	FY 2021 President Budget
Drug Resources by Decision Unit and Function			
Regional Partnership Grants (RPG)			
Prevention	\$40.000	\$30.000	\$60.000
Total Funding	\$40.000	\$30.000	\$60.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget	\$62,000	\$60,000	\$55,000
Drug Resources Percentage	0.00%	0.00%	0.00%

#### **Program Summary**

#### **MISSION**

The Administration for Children and Families (ACF), within the Health and Human Services (HHS), is responsible for Federal programs that promote the economic and social well-being of families, children, individuals, and communities. The mission of ACF is to foster health and well-being by providing Federal leadership, partnership, and resources for the compassionate and effective delivery of human services.

#### **METHODOLOGY**

The Targeted Grants To Increase the Well-Being of, and To Improve the Permanency Outcomes for, Children Affected by Methamphetamine or Other Substance Abuse within the Promoting Safe and Stable Families (PSSF) program was established by The Child and Family Services Improvement Act of 2006 (Public Law 109-288). In 2011, these grants were renamed Targeted Grants to Increase the Well-Being of, and To Improve the Permanency Outcomes for, Children Affected by Substance Abuse and reauthorized through FY 2016 as part of The Child and Family Services Improvement and Innovation Act of 2011 (Public Law 112-34). In 2018, these grants were renamed Targeted Grants to Implement IV-E Prevention Services, and Improve the Well-Being of, and Improve the Permanency Outcomes for, Children Affected by Heroin, Opioids, and other Substance Abuse and reauthorized through FY 2021 as part of the Bipartisan Budget Act of 2018 (Public Law 115-123). Grants funded under this program support regional partnerships in establishing or enhancing a collaborative infrastructure to build the region's capacity to meet a broad range of needs for families involved with substance use and the child welfare system.

#### **BUDGET SUMMARY**

In FY 2020, ACF appropriation level is \$30 million for drug control activities, a decrease of \$10 million from the FY 2019 level.

#### **Regional Partnership Grants (RPG)**

FY 2020 Actual: \$30 million

The Promoting Safe and Stable Families program will continue to support state efforts to reduce foster care placements due to parental substance use. Adult Substance Use Disorders (SUD), including opioid addiction, remain a major and growing factor for involvement in the child welfare system and in out-of-home placements. The RPG program represents the only source of funding specifically focused on the intersection of SUDs, including Opioid Use Disorder (OUD), and at risk for or child welfare involved.

In the mandatory side there are \$20 million reserved for the RPG Program to provide services and activities to benefit children and families affected by a parent's or caretaker's SUD, including OUD, who are at risk for or involved with child welfare system. In FY 2018 and FY 2019, the RPG Program received an additional \$20 million appropriation above the authorized funding level.

#### **PERFORMANCE**

Information regarding the performance of the drug control efforts of ACF is based on agency Government Performance and Results Modernization Act (GPRMA) documents and other agency information that measures the agency's contribution to the FY 2018 – 2022 HHS Strategic Plan. The table and accompanying text represent highlights of its achievements and includes performance measures and targets for FY 2018, the latest year for which data are available.

Administration for Children and Families						
Selected Measure of Performance	FY14 Target	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY18 Actual
» Of all children who exit foster care in less than 24 months, percentage who exit to permanency (reunification, living with a relative, guardianship, or adoption)	91.6%	91.9%	92.0%	92.2%	92.4%	92.9%

Since funding for RPG is part of the larger PSSF program, ACF considers those activities to be part of the larger program performance goals, which includes the key measure in the table above. In FY 2018, ACF placed 92.9 percent of all children who exited foster care in less than 24 months into a permanent living arrangement by reunification, living with a relative, guardianship, or adoption. Future targets for this performance measure through FY 2021 are to improve by at least 0.2 percentage points over the previous year's actual result.



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

March 11, 2020

**TO**: Director

Office of National Drug Control Policy

**FROM**: Director, National Center for Injury Prevention and Control

Centers for Disease Control and Prevention

**SUBJECT**: Assertions Concerning Performance Summary Report

In accordance with the requirements of the Office of National Drug Control Policy Circular Accounting of Drug Control Funding and Performance Summary, dated January 18, 2013, I make the following assertions regarding the attached Performance Summary Report for National Drug Control Activities:

#### **Performance Reporting System**

For the data reported in the 2019 Performance Summary Report, I assert that CDC has systems to capture performance information accurately and that these systems were properly applied to generate the performance data presented in the attached report.

#### **Explanations for Not Meeting Performance Targets**

While opioid overdose deaths decline, IMF (illicitly manufactured fentanyl) deaths continue to increase and involve more drugs. Gladden 2019, shows a small 4.6% decrease in opioid overdose deaths from July—December 2017 to January—June 2018 in 25 states. However, increases in IMF overdose deaths involving multiple drugs almost negated decreases in fentanyl analog deaths and prescription opioid-involved overdose deaths. In contrast to the decreases in opioid overdose, opioid deaths involving IMF increased by 11.1%. The report also shows increases in IMF deaths co-occurring with multiple opioids, benzodiazepines, cocaine, and methamphetamines; these increases almost negated declines in other types of opioid overdose deaths. In the evolving drug epidemic, synthetic opioids and polysubstance use continue to drive the trend in overdose deaths.

Gladden RM, O'Donnell J, Mattson CL, Seth P. Changes in Opioid-Involved Overdose Deaths by Opioid Type and Presence of Benzodiazepines, Cocaine, and Methamphetamine — 25 States, July–December 2017 to January–June 2018. MMWR Morb Mortal Wkly Rep 2019;68:737–744. DOI: http://dx.doi.org/10.15585/mmwr.mm6834a2external icon

#### **Methodology to Establish Performance Targets**

I assert that the methodology used to establish performance targets presented in the attached report is reasonable given past performance and available resources.

#### Performance Measures Exist for All Significant Drug Control Activities

I assert that performance measures exist for all significant drug control activities.

Debra Houry, MD, MPH Director National Center for Injury Prevention and Control

Attachment: FY 2019 Performance Summary Report for National Drug Control Activities

#### FY 2019 Performance Summary Report for National Drug Control Activities

Decision Unit 1: Prescription Drug Overdose

Reduce the age-adjusted annual rate of overdose deaths involving opioids per 100,000 population among the states funded through Prescription Drug Overdose: Prevention for States (PfS) program.

20141	2015 <sup>2</sup>	2016 <sup>3</sup>	2017	2017	2018	2019	2020	2021 Target <sup>4</sup>
Historical	Historical	Actual	Target	Actual	Target	Target	Target	
Actual	Actual							
13.3 per	11.8 per	15.0 per	11.8 per	16.8 per	11.8 per	10.8 per	10.8 per	Measure
100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	Discontinued
residents	residents	residents	residents	residents	residents	residents	residents	

<sup>&</sup>lt;sup>1</sup> 2014 data were calculated based on data from five states (KY, OK, UT, WV, and TN) funded under a previous CDC program (Prescription Drug Overdose: Prevention Boost) and reflect age-adjusted rates of overdose deaths involving all opioid analgesics per 100,000 residents.

*New measure:* Reduce the age-adjusted annual rate of overdose deaths involving natural and semisynthetic opioids (e.g., oxycodone, hydrocodone) among states funded through Prescription Drug Overdose Prevention for States Program (per 100,000 residents)

2017 Historical	2018 Historical	2019 Historical	2020 Target	2021 Target
Actual	Actual	Actual		
4.40 per 100,000 residents	TBD	TBD	3.91 per 100,000 residents	3.74 per 100,000 residents

*New measure:* Reduce age-adjusted annual rate of overdose deaths involving synthetic opioids other than methadone (e.g., fentanyl) among states funded through Prescription Drug Overdose Prevention for States (per 100,00 residents)

2017 Historical	2018 Historical	2019 Historical	2020 Target	2021 Target
Actual	Actual Actual			
9.0 per 100,000	TBD	TBD	7.99 per 100,000	7.65 per 100,000
residents			residents	residents

Performance Measures—The report must describe the performance measures used by the agency to assess the National Drug Control Program activities it carried out in the most recently completed fiscal year and provide a clear justification for why those measures are appropriate for the associated National Drug Control Program activities. The performance

<sup>&</sup>lt;sup>2</sup> FY 2015, CDC initiated a new program—Prevention for States (PfS), which funded a total of 29 state health departments. The baseline using 2015 was generated using the 29 PfS states as the denominator and the 2016 Actual and Target Measures for outlying years were calculated using the 29 PfS states, as opposed to the 5 states used in years prior.

<sup>&</sup>lt;sup>3</sup> A new baseline and subsequent years' targets were calculated using a broader drug overdose death category to better represent the opioids recently associated with drug overdose mortality (including prescription, heroin, and synthetic other than methadone) in recognition of the evolving nature of the opioid overdose epidemic in the United States.

<sup>&</sup>lt;sup>4</sup> CDC will replace measure because the overdose death data do not distinguish between discrete types of opioids, using a measure that does will better guide prevention activities.

report must explain how the measures: clearly reflect the purpose and activities of the agency; enable assessment of agency contribution to the National Drug Control Strategy; are outcome-oriented; and are used in agency management. The description must include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to those activities.

CDC has been tracking the rise of opioid overdose deaths and using the data to inform prevention activities to curb this alarming epidemic. Over 399,000 people have died from overdoses involving opioids – prescription or illicit in the United States from 1999 through 2017.

In response to this growing public health crisis, CDC launched its Overdose Prevention in States (OPIS) effort as means to equip states with resources and expertise needed to reverse this epidemic. OPIS encompasses three programs (Prevention for States, Data-Driven Prevention Initiative, and Enhanced State Surveillance of Opioid-Involved Morbidity and Mortality) that support 45 states and the District of Columbia. As a part of OPIS, CDC's Prescription Drug Overdose Prevention for States (PfS) program funds 29 state health departments to advance and evaluate comprehensive state-level interventions for preventing opioid-related overdose, misuse, and abuse.

In FY 2019, CDC released its new Notice of Funding Opportunity, Overdose Data to Action (OD2A), which builds on previous surveillance efforts to foster an interdisciplinary, comprehensive, and cohesive public health approach to the complex and changing nature of the opioid overdose epidemic. These funds will support states, territories, cities, and counties in obtaining higher quality, more comprehensive, and timelier data on overdose morbidity and mortality, and in using the data to inform prevention and response efforts.

Currently, CDC is measuring progress in reducing overdose deaths involving all opioids among the states funded specifically for PfS for the award made in FY 2016. For FY 2021, CDC's measure of prescription opioid deaths was replaced with two new measures to capture overdose death data for discrete types of opioids to better guide prevention activities to more appropriately curb the epidemic. In FY 2017, the age-adjusted annual rate of opioid deaths involving natural and semisynthetic opioids (e.g., oxycodone, hydrocodone) was 4.4 per 100,000 residents among states funded for the PfS program. The age-adjusted annual rate of opioid deaths involving synthetic opioids other than methadone (e.g., fentanyl) was 9.0 per 100,000 residents among states funded for the PfS program.

Agency management uses this performance measure as a tool to monitor the effectiveness of these strategies in addressing prescription drug overdose. For example, these data are discussed in leadership meetings reviewing injury prevention goals, strategies, and planned activities.

CDC will continue to strengthen surveillance activities, identify interventions, and implement prevention programs that address the evolving nature of the epidemic. In an example of the success of CDC's current opioid programs, the Forest County Potawatomi Community in Wisconsin created a media campaign targeting the stigma associated with opioid use disorder within Native American culture. In collaboration with the Tribe's Executive Council, the campaign kick-off engaged community members, law enforcement, media, and over 90 tribal

youth. The media campaign "blitz" featured a television ad running 62 times per week during peak programming, and print media (billboards) displaying images of tribal members. Since the launch of the campaign, Forest County Potawatomi Community has experienced no deaths by overdose, as well as an increase in community members seeking inpatient treatment, medication-assisted treatment, and residence in transitional living homes.

CDC used past mortality data to derive future targets based upon an understanding of scientific findings and current and planned CDC-funded state-level activities to address and prevent opioid overdoses.

These data are from CDC's National Center for Health Statistics <u>National Vital Statistics System</u> (NVSS). NVSS data are provided through contracts between NCHS and vital registration systems operated in the various jurisdictions legally responsible for the registration of vital events including deaths. The age-adjusted rates of overdose deaths involving opioids per 100,000 are based on death certificate data captured in NVSS.



#### DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mailstop C3-01-24 Baltimore, Maryland 21244-1850

# Office of Financial Management

#### **MEMORANDUM**

**DATE:** March 20, 2020

**TO:** Robert Baum

Performance Budget Coordinator Office of National Drug Control Policy

**FROM:** Megan Worstell /s/

Chief Financial Officer (CFO)

Centers for Medicare & Medicaid Services

**SUBJECT: Drug Control Program Agency Compliance** 

In accordance with the requirements of the *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, the Centers for Medicare & Medicaid Services (CMS) is providing this memorandum in response.

#### **Obligations by Budget Decision Unit**

CMS does not receive specific Office of National Drug Control Policy (ONDCP) appropriation funding for drug control activities. Therefore, our estimates are not based on obligations, but are based on estimates of the Medicare and Medicaid current law benefit costs, which are conducted by the CMS Office of the Actuary (OACT). In addition, ONDCP does not score CMS' grants, thereby exempting CMS from the obligation requirement.

#### **Drug Methodology**

#### Medicare

Medicare provides coverage for hospital, physician, skilled nursing facility, home health care, and other medical care services, as well as Medicare Part D prescription drug coverage, to eligible Americans. Medicare benefits are permanently authorized with Medicare substance use disorder treatment benefit payments being made by Medicare Part A and Medicare Part B. This

benefit outlay total includes the estimated impact for services provided to beneficiaries enrolled in Medicare Advantage (Part C). Medicare Part D prescription drug spending is not counted in these estimates.

#### Medicaid

Medicaid is a means-tested health care entitlement program financed by the States and the Federal Government. Medicaid mandatory services include substance use disorder services for detoxification and treatment for substance use disorder needs when identified as part of early and periodic screening, as well as diagnostic and treatment services for individuals under age 21 years of age. Additional Medicaid substance use disorder treatment services may be provided as optional services. The recently enacted *Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act* also requires States to cover all forms of medication-assisted treatments from FY 2020 – FY 2025. (See Exhibit A and B).

#### **Application of Drug Methodology**

CMS asserts that the drug methodology disclosed in Exhibit A and B was the actual methodology used to generate the tables and narratives required by Section 6a.

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

CMS asserts there have been no material weaknesses or findings or other findings by independent sources, or other known weaknesses, including those identified in the CMS's Annual Statement of Assurance under Office of Management and Budget (OMB) Circular A-123, Appendix A and the Federal Managers Financial Integrity Act (FMFIA), which may affect the presentation of prior year drug-related estimates. Please refer to the FY 2019 CMS Financial Report on the Independent Auditor's Financial Statement Opinion and Laws and Regulation Letters.

#### **Methodology Modifications**

CMS asserts no modifications were made to ONDCP methodology for reporting drug control resources from the previous year's reporting.

#### **Reprogrammings or Transfers**

CMS asserts the drug activity data presented are associated from mandatory spending estimates based on the Medicare and Medicaid current law benefit costs.

#### **Fund Control Notices**

CMS asserts that drug activity data presented are associated from mandatory spending estimates based on the Medicare and Medicaid current law benefit costs and not obligations.

#### **Performance Summary Report**

CMS' approach to drug control budget estimates is different from other agencies since CMS does not receive specific discretionary appropriation funding for drug control activities. As such, CMS does not feature specific performance measures related to drug control activities in the CMS budget justification. The performance section of our drug control chapter reflects the scope of substance use disorder activities and interventions supported by our mandatory program spending and does not correlate with any specific measures, targets or results. (See Exhibit B).

#### Department of Health and Human Services Centers for Medicare & Medicaid Services Office of National Drug Control Policy

(Dollars in Millions except where indicated otherwise)

Resource Summary <sup>1</sup>	FY 2019 Enacted (Outlays)	FY 2020 Budget (Outlays)	FY 2021 Budget (Outlays)
Drug Resources by Decision Unit and Function			
Medicaid Treatment	\$5,250.000	\$5,550.000	\$5,740.000
Total Decision Unit #1 Medicaid	\$5,250.000	\$5,550.000	\$5,740.000
Medicare Treatment	\$2,660.000	\$2,870.000	\$3,100.000
Total Decision Unit #2 Medicare	\$2,660.000	\$2,870.000	\$3,100.000
Total Funding	\$7,910.000	\$8,420.000	\$8,840.000
Drug Resources Personnel Summary			
Total FTEs (direct only)		-	
Drug Resources as a Percent of Budget Total Agency Budget (in billions) <sup>2</sup>	\$1,168.9	\$1,248.2	\$1,348.3
Drug Resources Percentage	0.7%	0.7%	0.7%

#### **Budget Summary**

The total FY 2021 drug control outlay estimate for CMS is \$8,840.0 million. This estimate reflects Medicaid and Medicare (excluding Part D) benefit outlays for substance use disorder treatment. Overall, year-to-year projected growth in substance use disorder spending is a function of estimated overall growth in Medicare and Medicaid spending.

<sup>&</sup>lt;sup>1</sup> This information is taken from the CMS FY 2020 Justification of Estimates for Appropriation Committees. Updated estimates for FY 2021 will be available in late December 2019 /early January 2020.

<sup>&</sup>lt;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 (MAP) benefit grants and the Vaccines for Children Program, administered by the Centers for Disease Control and Prevention. The Medicare total reflects gross benefit outlays.

#### Medicaid

FY 2021 outlay estimate: \$5,740.0 million (Reflects \$190.0 million increase from FY 2020)

Medicaid is a means-tested health care entitlement program financed by states and the federal government. Medicaid mandatory services include substance use disorder services for detoxification and treatment for substance use disorder needs identified as part of early and periodic screening, and diagnostic and treatment services for individuals under age 21 years of age. Additional Medicaid substance use disorder treatment services may be provided as optional services. The recently enacted Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act also requires states to cover medication-assisted treatments from FY 2020 – FY 2025.

#### Medicare

FY 2021 outlay estimate: \$3,100.0 million (Reflects \$230.0 million increase from FY 2020)

Medicare provides coverage of hospital, physician, skilled nursing facility, home health care, and other medical care services, as well as prescription drug coverage, to Americans age 65 and older and to disabled persons, including those with end-stage renal disease. Medicare benefits are permanently authorized. Medicare substance use disorder treatment benefit payments are made by Medicare Part A and Medicare Part B. This benefit outlays total includes the estimated impact for services provided to beneficiaries enrolled in Medicare Advantage. As noted above, Medicare Part D prescription drug spending is not counted in these estimates.

#### Department of Health and Human Services Centers for Medicare & Medicaid Services Office of National Drug Control Policy

(Dollars in Millions except where indicated otherwise)

Resource Summary	FY 2019 Estimates	FY 2020 Estimates	FY 2021 Estimates
Drug Resources by Decision Unit and Function			
Medicaid Treatment	\$5,480	\$5,640	\$5,880
Total Decision Unit #1 Medicaid	\$5,480	\$5,640	\$5,880
Medicare Treatment	\$2,680	\$2,910	\$3,140
Total Decision Unit #2 Medicare	\$2,680	\$2,910	\$3,140
Total Funding	\$8,160	\$8,550	\$9,020
Drug Resources Personnel Summary			
Total FTEs (direct only)			
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions) <sup>1</sup>	\$1,167.9	\$1,260.5	\$1,335.7
Drug Resources Percentage	0.7%	0.7%	0.7%

#### **Program Summary**

#### Mission

As an effective steward of public funds, the Centers for Medicare & Medicaid Services (CMS) is committed to strengthening and modernizing the nation's health care system to provide access to high quality care and improved health at a lower cost. Through its coverage of drug treatment services included within Medicare and Medicaid benefit payments, CMS helps support the goals of the Office of National Drug Control Policy (ONDCP) by providing substance use disorder treatment to eligible beneficiaries.

<sup>&</sup>lt;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.

#### Methodology

#### Medicaid

These projections were based on data from the Medicaid Analytic eXtract (MAX) for 2007 through 2012, based on expenditures for claims with substance use disorders as a primary diagnosis. Managed care expenditures were estimated based on the ratio of substance use disorder expenditures to all expenditures for fee-for-service by eligibility group. The estimates were trended forward to Fiscal Year (FY) 2018 using the growth rate of expenditures by state and eligibility category from the CMS-64, MAX data, and estimates consistent with the President's Budget. The annual growth rates were adjusted by comparing the rate of substance use disorder expenditure growth from 2007-2011 to all service expenditure growth and adjusting the growth rate proportionately.

#### **Medicare**

The estimates of Medicare spending for the treatment of substance use disorder are based on the FY 2021 President's Budget baseline. These projections reflect estimated Part A and Part B spending and are based on an analysis of historical fee-for-service claims through 2018, using the primary diagnosis code<sup>2</sup> included on the claims. The historical trend was used to make projections into the future. These projections are very similar to those for the 2020 President's Budget and vary only slightly due to changes in the baseline.

An adjustment was made to reflect spending for beneficiaries who are enrolled in Medicare Advantage plans, since their actual claims are not available. It was assumed that the proportion in costs related to substance use disorder treatment was similar for beneficiaries enrolled in Medicare Advantage 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 substance use disorder are often also used to treat other conditions.

#### **Budget Summary**

The total FY 2021 drug control outlay estimate for CMS is \$9,020.0 million. This estimate reflects Medicaid and Medicare (excluding Part D) benefit outlays for substance use disorder treatment. Overall, year-to-year projected growth in substance use disorder spending is a function of estimated overall growth in Medicare and Medicaid spending.

#### Medicaid

FY 2021 outlay estimate: \$5,880.0 million (Reflects \$240.0 million increase from FY 2020)

Medicaid is a means-tested health care entitlement program financed by states and the federal government. Medicaid mandatory services include substance use disorder services for detoxification and treatment for substance use disorder needs identified as part of early

<sup>&</sup>lt;sup>2</sup> Based on the International Classification of Diseases (ICD) coding system. The applicable ICD-9 codes for substance abuse include a subset of the 291, 292, 303, 304, and 305 category of codes, and also ICD-9 code 7903. The applicable ICD-10 codes for substance abuse include a subset of the F10, F11, F12, F13, F14, F15, F16, F17, F18, and F19, and R78 ICD-10 category of codes.

and periodic screening, and diagnostic and treatment services for individuals under 21 years of age. Additional Medicaid substance use disorder treatment services may be provided as optional services. The Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act also requires states to cover medication-assisted treatment (MAT) from FY 2020 – FY 2025.

#### Medicare

FY 2021 outlay estimate: \$3,140.0 million (Reflects \$230.0 million increase from FY 2020)

Medicare provides coverage of hospital, physician, skilled nursing facility, home health care, and other medical care services, as well as prescription drug coverage, to Americans age 65 and older and to disabled persons, including those with end-stage renal disease. Medicare benefits are permanently authorized. Medicare substance use disorder treatment benefit payments are made by Medicare Part A and Medicare Part B. This benefit outlays total includes the estimated impact for services provided to beneficiaries enrolled in Medicare Advantage. As noted above, Medicare Part D prescription drug spending is not counted in these estimates.

#### **Performance**

Performance measures are used across the health care delivery system and across federal payers, including Medicare and Medicaid, to improve outcomes, experience of care, population health, and health care affordability. In clinical and behavioral health care, measurement has been associated with improvements in providers' use of evidence-based strategies and health outcomes. CMS uses quality measures in its various programs that include quality improvement, pay for reporting, and public reporting.

CMS has a number of mechanisms to help discourage prescribing practices that place beneficiaries at risk of harm. These practices are employed judiciously to prevent problematic providers who fail to meet Medicare requirements from harming beneficiaries. CMS has continued to monitor Medicare prescribing patterns for potential misuse or abuse.

In FY 2021, CMS will continue to implement the many Medicare and Medicaid-related provisions of the SUPPORT Act. Key provisions include: temporarily allowing states to receive federal reimbursement for services provided to individuals residing in Institutions for Mental Diseases (IMD) according to the parameters of applicable statutory and programmatic authorities, beginning in FY 2020; Medicare coverage of opioid use disorder treatment services in Opioid Treatment Programs (OTPs) through a new bundled payment for such services, beginning in Calendar Year (CY) 2020; requiring all state Medicaid programs to cover medication assisted treatment MAT for a defined period of time, beginning in FY 2021; eliminating barriers to telehealth for the provision of substance use disorder (SUD) services to Medicare beneficiaries, beginning in CY 2020; and, implementing a new Medicare demonstration that will test whether a care management fee and performance-based incentive for providers will improve outcomes for beneficiaries being treated for Opioid Use Disorder. These and other efforts have helped CMS protect its beneficiaries from the harms associated with opioid misuse, while maintaining the ability of beneficiaries with pain to access necessary treatment.

CMS updated its <u>CMS Roadmap to Address the Opioid Crisis</u> in March 2019, focused on three primary strategies to address this national challenge. These strategies include:

- (1) Prevention Managing pain using a safe and effective range of treatment options that rely less on prescription opioids;
- (2) Treatment Expanding access to treatment for opioid use disorders; and
- (3) Data Utilizing data to target prevention and treatment efforts and to identify fraud and abuse.

In addition, the Department of Health and Human Services (HHS) established a FY 2018-2019 HHS-wide Agency Priority Goal (APG) focused on *Reducing Opioid Morbidity and Mortality*. CMS is a supporting partner in that effort. HHS will continue this APG for FY 2020-2021. Additional information can be found on Performance.gov.

#### Medicaid

In FY 2020, states will continue voluntarily reporting on a core set of health care quality measures for adults and children enrolled in Medicaid and CHIP. The 2019 Adult Core Set included 12 measures focused on behavioral health; these along with 5 measures from the Child Core Set have been identified as a Behavioral Health Core Set. CMS publicly reports state-specific data in its Annual Reporting from the Adult Core Set on Medicaid.gov. A subset of the Child and Adult Core Set measure are also publicly reported in the Medicaid and CHIP Scorecard.

The SUPPORT Act made changes to the Medicaid Drug Utilization Review (DUR) program. Specifically, the law requires states to implement minimum opioid standards within their Medicaid Fee for Service (FFS) and managed care programs. Through amendments to Section 1902 of the Act, states are required to: implement "safety edits" and "claims review automated processes" to target reduction of opioid related fraud, misuse, and abuse, to include opioid refill requirements; monitor prescriptions for opioids and other drugs when prescribed concurrently; monitor antipsychotic prescriptions for children; and report on these activities on an annual basis to CMS³. Additionally, any Medicaid Managed Care Organizations, Prepaid Inpatient Health Plans, or Prepaid Ambulatory Health Plans that cover covered outpatient drugs are required to operate a DUR program that complies with certain rules and to submit detailed information about its DUR program activities to the state. State implementation of these strategies was required by October 1, 2019, and the Secretary was required to report this information to Congress beginning in FY 2020.

CMS allows states to utilize the section 1115 demonstration authority to receive federal matching funds for the continuum of services to treat SUD, including services provided to Medicaid enrollees residing in residential treatment facilities that meet the definition of an IMD. Ordinarily such residential treatment services are not eligible for federal Medicaid reimbursement due to the exclusion in the Medicaid statute of services provided to beneficiaries residing in an IMD. A State Medicaid Director Letter (SMDL # 17-003) issued November 1, 2017 describes this policy and a number of milestones or actions states are expected to meet to ensure Medicaid beneficiaries receive good quality of care in these residential facilities and continue to have access to community-based care. Participating states are also expected to take action to improve access to MAT, including ensuring that beneficiaries residing in IMDs have access to MAT. In addition, on November 13, 2018, CMS established a Section 1115 demonstration opportunity to improve access to treatment

<sup>&</sup>lt;sup>3</sup> See Center for Medicaid and CHIP Services (CMCS) Informational Bulletin that supports states as they implement this section of the SUPPORT Act: <a href="https://www.medicaid.gov/federal-policy-guidance/downloads/cib080519-1004.pdf">https://www.medicaid.gov/federal-policy-guidance/downloads/cib080519-1004.pdf</a>

for mental health disorders including treatment provided in inpatient and residential psychiatric facilities with improved attention to treatment for co-occurring SUDs in these settings. There are currently three states approved to implement a demonstration under this initiative, and CMS is working with a number of additional states to implement this type of demonstration. Participating states report on relevant Adult Core Measures as well as a number of other measures to help monitor program performance. As of November 14, 2019, 26 states<sup>4</sup> and the District of Columbia have been approved to implement 1115 SUD demonstrations.

In addition, the Medicaid Innovation Accelerator Program (IAP) supports states' ongoing payment and delivery system reforms through technical assistance with the end goal of improving the health and health care of Medicaid beneficiaries. IAP's SUD program area offers states a variety of technical assistance opportunities as they seek to improve care for individuals with a SUD, expand coverage for effective SUD treatment, and enhance SUD practices delivered to beneficiaries. Additional information is available here: <a href="https://www.medicaid.gov/state-resource-center/innovation-accelerator-program/program-areas/reducing-substance-use-disorders/index.html">https://www.medicaid.gov/state-resource-center/innovation-accelerator-program/program-areas/reducing-substance-use-disorders/index.html</a>

Furthermore, the Center for Medicare & Medicaid Innovation supports the development and testing of innovative health care payment and service delivery models, including models that support SUD treatment. First, the Integrated Care for Kids Model is a child-centered local service delivery and state payment model aimed at reducing expenditures and improving the quality of care for children covered by Medicaid and CHIP, especially those with or at-risk for developing significant health needs. Second, the Maternal Opioid Misuse model addresses fragmentation in the care of pregnant and postpartum Medicaid beneficiaries with OUD through state-driven transformation of the delivery system surrounding this vulnerable population. Both models announced their first year participants in December 2019 and began implementation in January 2020.

#### Medicare

In 2017, Medicare's Physician Quality Reporting System transitioned to the Merit-based Incentive Payment System (MIPS) under the Quality Payment Program (QPP). The program encourages reporting of quality measures by "eligible clinicians" by tying Medicare payments to performance in four areas: Quality, Promoting Interoperability (formerly Advancing Care Information), Improvement Activities, and Cost. The current program portfolio includes five Improvement Activities, and seven Quality measures that address opioid use. The Promoting Interoperability performance category includes two new opioid measures from the 2019 Physician Fee Schedule Final Rule, which align with the two new opioid measures finalized as part of the Promoting Interoperability Program in the FY 2019 Medicare Hospital Inpatient Prospective Payment System final rule.

Moreover, the SUPPORT Act established a new Medicare Part B benefit for OUD treatment services, including medications for MAT, furnished by OTPs. CMS is implementing this benefit beginning January 1, 2020, as required by the SUPPORT Act. In the <u>CY 2020 Physician Fee Schedule Final Rule</u> (PFS), CMS expanded coverage for OUD treatment services, including MAT, finalized bundled payment rates for services provided by opioid

<sup>&</sup>lt;sup>4</sup> Five states were approved prior to publication of the 2017 SMDL being published; CMS has since approved 21 states and DC's 1115 SUD demonstrations.

treatment programs (OTPs), and added Healthcare Common Procedure Coding System (HCPCS) codes for bundled episodes of care for OUD treatment to the telehealth services list. The services furnished in an episode of care by an OTP for which payment is made include management, care coordination, psychotherapy and counseling as well as telehealth services, and methadone for MAT. CMS will consider coding and payment amounts that recognize different levels of patient need and different types of practice arrangements for future rulemaking, including use of MAT in the emergency department setting.

CMS continues to modify the measures, as needed, based on Office of the National Coordinator for Health Information Technology (ONC) and stakeholder feedback to promote interoperability and to reduce burden and implementation challenges. In addition, Medicare Shared Savings Program Accountable Care Organizations (ACOs) began receiving quarterly feedback in 2019 on four opioid overuse metrics including three Pharmacy Quality Alliance (PQA) metrics.

The CMS Quality Innovation Network Quality Improvement Organization Program (QIN-QIO) in the 11<sup>th</sup> Statement of Work worked with over 7,000 outpatient settings including pharmacies, nursing homes, and clinical practices, as well as with community coalitions and state-based efforts across the nation to improve safe management of opioid medications while addressing appropriate treatment of pain. The QIN-QIOs worked toward 2019 goals to achieve opioid adverse drug event reduction, all-cause readmission reduction, and allcause hospital utilization reduction for the opioid "high-risk" Medicare FFS population. To reach these goals, QIN-QIOs implement interventions in partnership with clinicians, use data analytics to support local innovation and change, and support local efforts such as improving communication across settings and communities. CMS QIN-QIOs also established a methodology using CMS data to identify adverse events for high risk Medicare beneficiaries using opioid medications. QIN-QIOs provide aggregated reports to recruited providers and community coalitions to inform them on best practices, and to help identify areas of improvement. Overall, QIN-QIOs were able to achieve a 5% reduction in opioid adverse drug events (8,507 adverse drug events avoided) in the Medicare FFS high risk population. There were QIN-QIOs that were successful in states such as Rhode Island and New Hampshire, which exceeded targets for all-cause readmission and hospital utilization reduction, but overall these rates continue to be high across the nation. In the 12th Statement of Work, CMS quality improvement contractors will continue to work on improving opioid management and safety, with an overall goal of decreasing opioid related adverse events, including deaths, in the Medicare population by seven percent. Additional information about these initiatives can be found at the following links:

http://qioprogram.org/campaign-meds-management http://qioprogram.org/qionews/topics/adverse-drug-events

CMS continues to update its interactive online Medicare Part D Opioid Drug Mapping Tool, including most recently with CY 2017 data. This tool allows the public to search deidentified Medicare Part D opioid prescription claims data at the state, county, and ZIP code levels. The tool allows users to see both the number and percentage of opioid claims at the local level, and includes extended-release opioid prescribing rates and county-level hot spots. This tool allows a better understanding of variability in provider prescribing behaviors within and across regions, and helps users to understand how this critical issue impacts communities nationwide.

#### Medicare Part D

In Medicare Part D, policies that enhance Part D Plan issuers' ability to address prescription opioid overutilization include: (1) drug management programs (DMPs) to better coordinate care when chronic, high-risk opioid use is present, (2) improved opioid safety alerts for pharmacists when opioid prescriptions are dispensed at the pharmacy, and (3) revised opioid quality metrics to guide performance improvement.

In April 2018, as required by the Comprehensive Addiction and Recovery Act (CARA) of 2016, CMS finalized the framework under which Part D plan sponsors could adopt DMPs beginning with plan year 2019. Under these programs, after case management and written notice, Part D plan sponsors can limit certain beneficiaries' access to coverage of opioids and/or benzodiazepines, if those beneficiaries were identified as "potential at-risk beneficiaries" under specific criteria. The criteria are based on prior opioid use and also take into account the use of multiple opioid prescribers/pharmacies. To ensure care coordination, at-risk beneficiaries may only receive their opioid and/or benzodiazepine medications from a specific prescriber or pharmacy, which the beneficiary may generally select, or the amount of opioids that is covered for them may be controlled through a beneficiary-specific point of sale claim edit for their safety.

Several provisions of the SUPPORT Act gave CMS additional authorities to strengthen Part D DMPs. These include Section 2006, which requires that Part D enrollees with a history of opioid-related overdose be included as potential at-risk beneficiaries for Part D DMPs beginning on or after January 1, 2021. Section 6064 requires Part D sponsors to also target at-risk beneficiaries in their DMPs for their Medication Therapy Management (MTM) programs. Finally, Section 2004 of the SUPPORT Act requires all Part D sponsors to have a DMP for plan years beginning on or after January 1, 2022.

In addition to DMPs, in CY 2019, CMS introduced new point of sale opioid safety alerts for Part D plan sponsors to help prevent unsafe opioid use. Safety alerts make a pharmacist aware of possible opioid overutilization at the point of sale. In real-time, these alerts can flag for a pharmacist that they should conduct additional review and/or consultation with the plan sponsor or prescriber to ensure that a prescription is appropriate. Beneficiaries who are residents of a long-term care facility, in hospice care, receiving palliative or end-of-life care, or being treated for active cancer-related pain are generally excluded from the opioid safety alerts and DMPs. Beginning in CY 2020, beneficiaries with sickle cell disease are also excluded from the opioid safety alerts.

The CY 2020 Final Call Letter supports the continuation of Part D opioid overutilization policies implemented in 2019 and CMS's continued work with providers, pharmacies, and beneficiaries to carry out these strategies. CMS also announced in the Call Letter an intention to gain experience with the new policies and closely monitor the impact on Medicare Part D prescription opioid overuse to evaluate the need for potential modifications or development of alternative or additional approaches in the future. In an effort to improve access to opioid-reversal agents, the Call Letter encouraged plans to include at least one naloxone product on a generic or Select Care Tier and recommended co-prescribing of naloxone with opioid prescriptions to beneficiaries who are at an increased risk for opioid overdose.

CMS is currently at work on implementing other provisions of the SUPPORT Act that have a direct bearing on overall drug utilization, such as the identification of and notification to

outlier opioid prescribers on an annual basis; the establishment of guidelines for Part D plan sponsors to report pharmacy payment suspensions based on credible allegations of fraud; and the creation of a secure portal for plan sponsors and CMS to exchange information on suspicious and substantiated activities related to opioid prescribing.

CMS also uses quality measures developed by the PQA to track overall trends in opioid overuse across the Medicare Part D program. Effective January 1, 2020, the Medicare Part D program implemented three PQA metrics which measure the use of opioids from multiple providers and/or at high dosage (i.e., 90 morphine milligram equivalents [MME]) in persons without cancer and the PQA Concurrent Use of Opioids and Benzodiazepines measure. Using these quality metrics, CMS will better track trends in opioid misuse and abuse across the Medicare Part D program and between plan sponsors.

#### Clinical Quality Measure Reporting

CMS has included opioid use disorders as a meaningful measure area in the Meaningful Measures framework and also incorporated opioid-related measures and clinical improvement activities for clinicians to select as they participate in Medicare's QPP. For the QPP, the definition of high priority measures includes opioid-related measures. CMS is also working in partnership with ONC to incorporate clinical quality measures (CQMs) into electronic health records to assist in implementing healthcare delivery and payment. CMS included several opioid-related quality measures in the 2019 "Measures Under Consideration (MUC) List," which is a list published each year to inform the public about measures being considered for use in Medicare's quality reporting programs. The "Safe Use of Opioids—Concurrent Prescribing" electronic clinical quality measure (electronic CQM) was finalized in the Inpatient Prospective Payment System final rule published on August 16, 2019 for use in the Hospital Inpatient Quality Reporting Program and the Promoting Interoperability Program for eligible hospitals and critical access hospitals. In addition, a few Qualified Clinical Data Registries have developed opioid-related measures that MIPS eligible clinicians can report when they submit their quality data to CMS. The 2019 MUC list included "Use of Opioids from Multiple Providers in Persons Without Cancer," "Use of Opioids at High Dosage in Persons Without Cancer" and "Use of Opioids from Multiple Providers at a High Dosage in Persons Without Cancer," which will be reviewed by the Measure Applications Partnership, a multi-stakeholder committee convened under the National Quality Forum (NQF), for use in the Medicare Part C and D Star Ratings. CMS continues to consider additional opioid related measures for use in the Medicare quality programs through its annual rulemaking processes.

# Health Resources and Services Administration

**ONDCP Submission** 

### Table of Contents

Budget Formulation Compliance Report	3
Budget Formulation Compliance Report Assertion Letter	3
Drug Budget Compliance Report	4
Drug Budget Resource Summary Table	9
Detailed Accounting Report	10
Detailed Accounting Report Assertion Letter	10
Detailed Accounting Report	12
Performance Summary Report	14
Performance Summary Report Assertion Letter	14
Performance Summery Report	15
Financial Plans	17



Rockville, MD 20857

MEMORANDUM TO: Director

Office of National Drug Control Policy

FROM: Elizabeth DeVoss Chief Financial Officer

Health Resources and Services Administration

DATE: March 11, 2020

SUBJECT: Health Resources and Services Administration

Budget Formulation Compliance Report for FY 2021

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, I make the following assertions regarding the attached Budget Formulation Compliance Report:

#### **Timeliness of Summer Budget Submission**

I assert that the summer drug budget submitted to ONDCP under the cover letter provided in response to Section 6.a.(1) in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) was provided to ONDCP 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** 

csource Summary				
	Budge	Budget Authority (in millions)		
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 President's Budget	
Drug Resources by Function				
Prevention	\$114.500	\$109.500	\$94.100	
Treatment	\$550.500	\$545.500	\$560.900	
Total Drug Resources by Function	\$665.000	\$655.000	\$655.000	
Drug Resources by Decision Unit				
Bureau of Primary Health Care	\$545.000	\$545.000	\$545.000	
Federal Office of Rural Health Policy	\$120.000	\$110.000	\$110.000	
Total Drug Resources by Decision Unit	\$665.000	\$655.000	\$655.000	
Drug Resources Personnel Summary				
Total FTEs (direct only)			-	
Drug Resources as a percent of Budget				
Total Agency Budget (in Billions)	\$11.7	\$11.9	\$11.2	
Drug Resources percentage	<b>5.7%</b>	5.5%	5.8%	

# Program Summary MISSION

The Health Resources and Services Administration (HRSA) is the primary Federal agency for improving access to health care for people who are geographically isolated, and economically or medically challenged.

#### **BPHC**

The Health Resources and Services Administration (HRSA) is the principal Federal agency charged with increasing access to primary health care for those who are medically underserved. For more than 50 years, HRSA-funded health centers have delivered affordable, accessible, quality, and cost-effective primary health care to patients regardless of their ability to pay. During that time, health centers have become an essential primary care provider for millions of people across the country. Health centers advance a model of coordinated, comprehensive, and patient-centered primary health care, integrating a wide range of medical, dental, mental health,

substance use disorder (SUD), and patient services. Today, nearly 1,400 health centers operate approximately 12,000 service delivery sites that provide care in every U.S. State, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and the Pacific Basin.

Health centers providing SUD services play an essential role in addressing the Nation's opioid epidemic. They offer a range of integrated services, including but not limited to Screening, Brief Intervention, and Referral to Treatment (SBIRT), counseling and psychiatry, 24-hour crisis intervention, detoxification, Medication-Assisted Treatment (MAT), and recovery support.

#### **FORHP**

The Federal Office of Rural Health Policy (FORHP) is responsible for advising on rural policy issues, conducting and overseeing policy relevant research on rural health issues, and administering grant programs that focus on supporting and enhancing health care delivery in rural communities. FORHP is statutorily charged with coordinating the activities within the Department that relate to rural health care and providing information to the Secretary and others in the Department with respect to the activities of other Federal departments and agencies that relate to rural health care. In addition to its policy roles, FORHP also administers a range of grant programs focusing on capacity building and enhancing health care delivery at the community and state levels as well as programs aimed at leveraging the use of health information technology and telehealth to enhance access to and the quality of health care services in rural and underserved areas.

FORHP launched the Rural Communities Opioid Response Program (RCORP) in FY 2018 to support treatment and prevention of substance use disorder, including opioid abuse, in rural communities at the highest risk for substance use disorder. The program goal is to reduce the morbidity and mortality associated with opioid overdoses in rural communities through the strengthening of the organizational and infrastructural capacity of multi-sector consortiums. These consortiums address prevention, treatment, and recovery focus areas at the community, county, state, and/or regional levels. This initiative reflects the high level of interest in and continued need for rural-focused funding to build robust opioid prevention, treatment, and recovery infrastructure and capacity in rural communities. HRSA has newly developed OMB-approved performance measures to support this new large-scale initiative.

# **METHODOLOGY**

#### **BPHC**

Starting in FY 2016, the Health Center Program has been awarding targeted supplemental funding to support substance use disorder service expansion. For each of fiscal years 2016 – 2019, HRSA has provided new annual funding toward this effort that remains in Health Center Program base continuation funding in subsequent fiscal years. All of this targeted supplemental funding is scored as drug control funding.

#### **FORHP**

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

## **BUDGET SUMMARY**

The drug control budget for the Health Resources and Services Administration at the FY 2021 President's Budget Request is \$655.0 million, the same level as FY 2020 Enacted.

#### **Bureau of Primary Health Care**

FY 2021 President's Budget Request: \$545 million (level with FY 2020 Enacted)

In FY 2021, the Health Center program plans to support nearly 1,400 grantees and provide primary health care services to nearly 29 million patients, including access to ongoing SUD services. Health centers will continue to provide SUD services for all age groups.

In FY 2018, the Health Center Program awarded approximately \$350 million in an additional targeted supplemental funding opportunity for the expansion of SUD/MH in existing health centers. Approximately \$200 million of the FY 2018 SUD/MH expansion awards were provided as one-time funding, and an additional \$150 million was awarded as ongoing annual funding, to be included in health centers' base continuation funding in subsequent fiscal years, contingent upon sufficient Health Center Program appropriations.

In FY 2019, the Health Center Program awarded \$201 million in new SUD/MH ongoing annual awards, and the FY 2020 President's Budget includes no additional drug resources. As a result, the reported amount of drug resources for FY 2018, and those projected for FY 2019 and FY 2020, reflect the ongoing annual SUD/MH awards initiated in FY 2016 through FY 2019 and projections in FY 2020 and FY 2021.

#### Federal Office of Rural Health Policy

# FY 2021 President's Budget Request: \$110 million (level with FY 2020 Enacted)

In FY 2021, the Federal Office of Rural Health Policy will continue to invest in initiatives and support evidence-based strategies that address the specific substance use disorder issues and mental health services needs in rural communities. The FY 2021 President's Budget Request will fund new and continuing grants and cooperative agreements for RCORP to strengthen the infrastructure and capacity within rural communities at high risk for substance abuse disorders and provide needed prevention, treatment, and recovery services to rural residents.

The RCORP initiative is currently composed of three competitive grant programs and three cooperative agreements that provide technical assistance coordination, program evaluation, and dissemination of evidence-based programs and best practices.

• RCORP-Planning provides one year of support to rural communities to identify opioid use disorder issues in their communities and develop plans to resolve these issues. The one-year planning grant provides sufficient time and resources for communities to form

partnerships with other entities, conduct needs assessments, and plan ways to address specific issues being faced by the communities. HRSA does not anticipate making new RCORP-Planning awards in FY 2021.

- RCORP-Implementation provides multi-year support to rural communities to yield large-scale organizational and infrastructural improvements at the regional and state levels to address opioid use disorder, with a particular focus on treatment and recovery. HRSA plans to make new Implementation awards in FY 2021.
- RCORP-Medication-Assisted Treatment (MAT) Expansion provides multi-year support to eligible hospitals, health clinics, or tribal organizations to establish and/or expand MAT and increase the number of access points for individuals living in rural communities. HRSA will support the continuation of awards in FY 2021.

In FY 2021, HRSA will continue funding three Rural Centers of Excellence on Substance Use Disorders that support the dissemination of best practices related to the treatment for and prevention of substance use disorders within rural communities, with a focus on the current opioid crisis. Additionally, HRSA will continue supporting a cooperative agreement to conduct program-wide evaluation activities for the RCORP Initiative and another cooperative agreement to provide technical assistance to RCORP grantees.

Finally, in FY 2021, HRSA will allocate funding for new awards to respond specifically to the increasing burden of psychostimulants in rural communities. HRSA will continue to engage and partner with other federal agencies to promote a coordinated approach to combatting this devastating epidemic and identifying additional priority areas.

#### **PERFORMANCE**

Information regarding HRSA's Health Center Program's performance is based on the UDS. The table and accompanying text represent highlights of their achievements for the latest year for which data are available.

	Health Resources and Services Administration		Pa 2/200
Se	lected Measures of Performance	FY 2018 Target	FY 2018 Achieved
<b>&gt;&gt;</b>	Number of Health Center Program grantees providing SBIRT services	580	665
<b>»</b>	Number of Health Center Program grantees providing substance use disorder counseling and treatment services	515	688

HRSA is taking several approaches to improve access to high quality substance use disorder (SUD) services for medically underserved communities through the Health Center Program. General approaches include developing the infrastructure for high quality care through the adoption of health information technology (HIT) and the transformation of health centers to patient-centered medical homes (PCMH). PCMH and the meaningful use of HIT will enable enhanced access to care, better care coordination, and improved patient engagement.

Transformed health centers are better positioned to partner with other addiction-related services in the community including inpatient and outpatient SUD services.

To further improve access and raise the quality of SUD services, the availability of services onsite is essential. This is to be achieved by training health center clinicians to provide high quality and expanded services for those with addiction disorders. Screening, Brief Intervention, and Referral to Treatment (SBIRT) is an evidence-based process used by primary care providers in health centers to detect and treat addiction effectively. Because many communities served by health centers have a high burden of addiction disorders, many health centers have chosen to colocate and integrate SUD specialty services reflecting efficient and effective approaches in meeting patient needs. The integration of SUD services may include the provision of enhanced services, such as medication-assisted treatment (MAT), by primary care clinicians. In addition, HRSA provides guidance to health centers on collaboration with State agencies to ensure that appropriate standards of care are implemented and that referrals are coordinated.

Screening for substance use disorders has increased 53 percent since 2016 with the number of patients receiving screening, brief intervention, referral and treatment (SBIRT) increasing from 716,677 in 2016 to 1,099,001 in 2018. From 2016–2018, the number of health center providers eligible to prescribe MAT increased nearly 190 percent (from 1,700 in 2016 to 4,897 in 2018) and the number of patients receiving MAT increased 142 percent (from 39,075 in 2016 to 94,528 in 2018).

In 2018, 688 health centers provided SUD counseling and treatment services, exceeding the program 2018 target. Also in 2018, 665 health centers provided SBIRT services, exceeding the program FY 2018 target.

The Rural Communities Opioid Response program goal is to reduce the morbidity and mortality associated with opioid overdoses in rural communities through the strengthening of the organizational and infrastructural capacity of multi-sector consortiums. HRSA has developed OMB-approved performance measures to support this large-scale initiative, and data collection will begin in Spring 2020.

# **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

# Health Resources and Services Administration

# Drug Budget Resource Summary Table

(Dollars in Millions)

			FY 2021
	FY 2019	FY 2020	President's
	Final	Enacted	Budget
Bureau of Primary Health Care			
Prevention	54.5	54.5	54.5
Treatment	490.5	490.5	490.5
Federal Office of Rural Health Policy			
Prevention	60	55	39.6
Treatment	60	55	70.4
TOTAL			
Prevention	114.5	109.5	94.1
Treatment	550.5	545.5	560.9



Rockville, MD 20857

MEMORANDUM TO:

Director

Office of National Drug Control Policy

FROM:

Elizabeth DeVoss

Chief Financial Officer

Health Resources and Services Administration

DATE:

March 11, 2020

SUBJECT:

Health Resources and Services Administration

Detailed Accounting Report for FY 2019

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, I make the following assertions regarding the attached 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 budget decision unit.

#### **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 2019 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** 

difficulty.					
Budget Authority (in millions)					
	FY 2019				
	Obligated				
Prevention	\$114.500				
Treatment	\$550.500				
Total Drug Resources by Function	\$665.000				
Bureau of Primary Health Care	\$545.000				
Federal Office of Rural Health Policy	\$120.000				
Total Drug Resources by Decision Unit	\$665.000				
Total FTEs (direct only)					
Total Agency Budget (in Billions)	\$11.7				
Drug Resources percentage	5.7%				

# **METHODOLOGY**

#### **BPHC**

Starting in FY 2016, the Health Center Program has been awarding targeted supplemental funding to support substance use disorder service expansion. For each of fiscal years 2016 – 2019, HRSA has provided new annual funding toward this effort that remains in Health Center Program base continuation funding in subsequent fiscal years. All of this targeted supplemental funding is scored as drug control funding.

#### **FORHP**

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

# **METHODOLOGY MODIFICATIONS**

N/A

# **MATERIAL WEAKNESSES OR OTHER FINDINGS**

N/A

# **REPROGRAMMINGS OR TRANSFERS**

N/A

# **OTHER DISCLOSURES**

N/A

Rockville, MD 20857

**MEMORANDUM TO:** 

Director

Office of National Drug Control Policy

FROM:

Elizabeth DeVoss

Chief Financial Officer

Health Resources and Services Administration

DATE:

March 11, 2020

SUBJECT:

Health Resources and Services Administration

Performance Summary Report for FY 2019

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, I make the following assertions regarding the attached Performance Summary Report:

#### Performance Reporting System is Appropriate and Applied

For the data reported in the 2019 Performance Summary Report, I assert that HRSA has a system to capture performance information accurately and that system was properly applied to generate the performance data.

#### **Explanations for Not Meeting Performance Targets are Reasonable**

I assert that all targets were met and that this section is not applicable.

#### Methodology to Establish Performance Targets is Reasonable and Consistently Applied

I assert that the methodology used to establish performance targets presented in this report is reasonable given past performance and available resources.

#### Adequate Performance Measures Exist for all Significant Drug Control Activities

I assert that adequate performance measures exist for all significant drug control activities.

# DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

# **Performance Summary Report**

#### **PERFORMANCE**

Information regarding HRSA's Health Center Program's performance is based on the UDS. The table and accompanying text represent highlights of their achievements for the latest year for which data are available.

WENT OF THE	Health Resources and Services Administration							
Selected Measures of	FY 2017	FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	FY 2020	Data
Performance	Target	Achieved	Target	Achieved	Target	Result	Target	Source
<ul> <li>Number of Health</li> <li>Center Program</li> <li>grantees providing</li> <li>SBIRT services</li> </ul>	525	548	580	665	730	Available August 2020	730	Uniform Data System
» Number of Health Center Program grantees providing substance use disorder counseling and treatment services	425	491	515	688	760	Available August 2020	760	Uniform Data System

HRSA is taking several approaches to improve access to high quality substance use disorder (SUD) services for medically underserved communities through the Health Center Program. General approaches include developing the infrastructure for high quality care through the adoption of health information technology (HIT) and the transformation of health centers to patient-centered medical homes (PCMH). PCMH and the meaningful use of HIT will enable enhanced access to care, better care coordination, and improved patient engagement. Transformed health centers are better positioned to partner with other addiction-related services in the community including inpatient and outpatient SUD services.

To further improve access and raise the quality of SUD services, the availability of services onsite is essential. This is to be achieved by training health center clinicians to provide high quality and expanded services for those with addiction disorders. Screening, Brief Intervention, and Referral to Treatment (SBIRT) is an evidence-based process used by primary care providers in health centers to detect and treat addiction effectively. Because many communities served by health centers have a high burden of addiction disorders, many health centers have chosen to colocate and integrate SUD specialty services reflecting efficient and effective approaches in meeting patient needs. The integration of SUD services may include the provision of enhanced services, such as medication-assisted treatment (MAT), by primary care clinicians. In addition, HRSA provides guidance to health centers on collaboration with State agencies to ensure that appropriate standards of care are implemented and that referrals are coordinated. Screening for substance use disorders has increased 53 percent since 2016 with the number of patients receiving screening, brief intervention, referral and treatment (SBIRT) increasing from 716,677 in 2016 to 1,099,001 in 2018. From 2016–2018, the number of health center providers eligible to prescribe MAT increased nearly 190 percent (from 1,700 in 2016 to 4,897 in 2018) and the number of patients receiving MAT increased 142 percent (from 39,075 in 2016 to 94,528 in 2018).

In 2018, 688 health centers provided SUD counseling and treatment services, exceeding the program 2018 target. Also in 2018, 665 health centers provided SBIRT services, exceeding the program FY 2018 target.

The Rural Communities Opioid Response program goal is to reduce the morbidity and mortality associated with opioid overdoses in rural communities through the strengthening of the organizational and infrastructural capacity of multi-sector consortiums. HRSA has developed OMB-approved performance measures to support this large-scale initiative, and data collection will begin in Spring 2020.

#### **QUALITY OF PERFORMANCE DATA**

BPHC requires that recipients submit and annual UDS Report on a standardized (calendar) year. Because of the importance of accuracy in these data, all reports are subjected to an intensive editing process. This process, conducted under contract, involves substantial computer editing plus the use of highly skilled, highly experienced, reviewers who are familiar with health center operations, and business and information technology practices. Reviewers receive annual training.

Editing takes place at three distinct points in the overall process:

- 1. At recipient, prior to submission. As the recipients enter data into the Electronic Handbooks (EHB), they are informed prior to their submission of the data to BPHC, of any of slightly over 1,000 errors, which might be detected. This process generally results in all of the mathematical errors and most of the logic errors being corrected prior to submission. In addition, the EHB system checks to determine that all required information has been submitted. Missing tables and, especially, missing sub-tables relating to individual programs, are identified and recipients are contacted to obtain the missing information. These submissions are held until complete.
- 2. **By Reviewers.** Once submitted, the EHB system forwards the reports to reviewers for actual review, and correction (as needed).
- 3. **Quality Control.** After the reviews, the reports are forwarded to quality control for quality assurance reviews as the final step.

# DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

#### Financial Plans

**Resource Summary** 

A MARINE THE RESERVE	Budget Author	ity (in millions)
	FY 2019 Enacted	FY 2020 Enacted
Prevention	\$114.500	\$109.500
Treatment	\$550.500	\$545.500
Total Drug Resources by Function	\$665.000	\$655.000
Bureau of Primary Health Care	\$545.000	\$545.000
Federal Office of Rural Health Policy	\$120.000	\$110.000
Total Drug Resources by Decision Unit	\$665.000	\$655.000
Total FTEs (direct only)	-	
Total Agency Budget (in Billions)	\$11.7	\$11.9
Drug Resources percentage	5.7%	5.5%

# Program Summary MISSION

The Health Resources and Services Administration (HRSA) is the primary Federal agency for improving access to health care for people who are geographically isolated, and economically or medically challenged.

#### **BPHC**

The Health Resources and Services Administration (HRSA) is the principal Federal agency charged with increasing access to primary health care for those who are medically underserved. For more than 50 years, HRSA-funded health centers have delivered affordable, accessible, quality, and cost-effective primary health care to patients regardless of their ability to pay. During that time, health centers have become an essential primary care provider for millions of people across the country. Health centers advance a model of coordinated, comprehensive, and patient-centered primary health care, integrating a wide range of medical, dental, mental health, substance use disorder (SUD), and patient services. Today, nearly 1,400 health centers operate approximately 12,000 service delivery sites that provide care in every U.S. State, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and the Pacific Basin.

Health centers providing SUD services play an essential role in addressing the Nation's opioid epidemic. They offer a range of integrated services, including but not limited to Screening, Brief Intervention, and Referral to Treatment (SBIRT), counseling and psychiatry, 24-hour crisis intervention, detoxification, Medication-Assisted Treatment (MAT), and recovery support.

#### **FORHP**

The Federal Office of Rural Health Policy (FORHP) is responsible for advising on rural policy issues, conducting and overseeing policy relevant research on rural health issues, and administering grant programs that focus on supporting and enhancing health care delivery in rural communities. FORHP is statutorily charged with coordinating the activities within the Department that relate to rural health care and providing information to the Secretary and others in the Department with respect to the activities of other Federal departments and agencies that relate to rural health care. In addition to its policy roles, FORHP also administers a range of grant programs focusing on capacity building and enhancing health care delivery at the community and state levels as well as programs aimed at leveraging the use of health information technology and telehealth to enhance access to and the quality of health care services in rural and underserved areas.

FORHP launched the Rural Communities Opioid Response Program (RCORP) in FY 2018 to support treatment and prevention of substance use disorder, including opioid abuse, in rural communities at the highest risk for substance use disorder. The program goal is to reduce the morbidity and mortality associated with opioid overdoses in rural communities through the strengthening of the organizational and infrastructural capacity of multi-sector consortiums. These consortiums address prevention, treatment, and recovery focus areas at the community, county, state, and/or regional levels. This initiative reflects the high level of interest in and continued need for rural-focused funding to build robust opioid prevention, treatment, and recovery infrastructure and capacity in rural communities. HRSA has newly developed OMB-approved performance measures to support this new large-scale initiative.

# **METHODOLOGY**

#### **BPHC**

Starting in FY 2016, the Health Center Program has been awarding targeted supplemental funding to support substance use disorder service expansion. For each of fiscal years 2016 – 2019, HRSA has provided new annual funding toward this effort that remains in Health Center Program base continuation funding in subsequent fiscal years. All of this targeted supplemental funding is scored as drug control funding.

#### **FORHP**

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

# **BUDGET SUMMARY**

The drug control budget for the Health Resources and Services Administration at the FY 2020 Enacted level is \$655.0 million, \$10.0 million below the FY 2019 Enacted.

#### **Bureau of Primary Health Care**

# FY 2020 Enacted: \$545 million (level with FY 2019 Enacted)

In FY 2020, the Health Center program plans to support nearly 1,400 grantees and provide primary health care services to nearly 29 million patients, including access to ongoing SUD services. Health centers will continue to provide SUD services for all age groups.

In FY 2018, the Health Center Program awarded approximately \$350 million in an additional targeted supplemental funding opportunity for the expansion of SUD/MH in existing health centers. Approximately \$200 million of the FY 2018 SUD/MH expansion awards were provided as one-time funding, and an additional \$150 million was awarded as ongoing annual funding, to be included in health centers' base continuation funding in subsequent fiscal years, contingent upon sufficient Health Center Program appropriations.

In FY 2019, the Health Center Program awarded \$201 million in new SUD/MH ongoing annual awards, and the FY 2020 President's Budget includes no additional drug resources. As a result, the reported amount of drug resources for FY 2018, and those projected for FY 2019 and FY 2020, reflect the ongoing annual SUD/MH awards initiated in FY 2016 through FY 2019 and projections in FY 2020.

#### Federal Office of Rural Health Policy

FY 2020 Enacted: \$110 million (\$10 million below the FY 2019 Enacted)

In FY 2020, the Federal Office of Rural Health Policy will continue to invest in initiatives and support evidence-based strategies that address the specific substance use disorder issues and mental health services needs in rural communities. The FY 2020 Enacted will fund new and continuing grants and cooperative agreements for RCORP to strengthen the infrastructure and capacity within rural communities at high risk for substance abuse disorders and provide needed prevention, treatment, and recovery services to rural residents.

The RCORP initiative is currently composed of three competitive grant programs and three cooperative agreements that provide technical assistance coordination, program evaluation, and dissemination of evidence-based programs and best practices.

• **RCORP-Planning** provides one year of support to rural communities to identify opioid use disorder issues in their communities and develop plans to resolve these issues. The one-year planning grant provides sufficient time and resources for communities to form partnerships with other entities, conduct needs assessments, and plan ways to address specific issues being faced by the communities.

- RCORP-Implementation provides multi-year support to rural communities to yield
  large-scale organizational and infrastructural improvements at the regional and state
  levels to address opioid use disorder, with a particular focus on treatment and recovery.
- RCORP-Medication-Assisted Treatment (MAT) Expansion provides multi-year support to eligible hospitals, health clinics, or tribal organizations to establish and/or expand MAT and increase the number of access points for individuals living in rural communities.

In FY 2020, HRSA will continue funding three Rural Centers of Excellence on Substance Use Disorders that support the dissemination of best practices related to the treatment for and prevention of substance use disorders within rural communities, with a focus on the current opioid crisis. Additionally, HRSA will continue supporting a cooperative agreement to conduct program-wide evaluation activities for the RCORP Initiative and another cooperative agreement to provide technical assistance to RCORP grantees.

#### **PERFORMANCE**

Information regarding HRSA's Health Center Program's performance is based on the UDS. The table and accompanying text represent highlights of their achievements for the latest year for which data are available.

	Health Resources and Services Administration		
Se	lected Measures of Performance	FY 2018 Target	FY 2018 Achieved
<b>»</b>	Number of Health Center Program grantees providing SBIRT services	580	665
»	Number of Health Center Program grantees providing substance use disorder counseling and treatment services	515	688

HRSA is taking several approaches to improve access to high quality substance use disorder (SUD) services for medically underserved communities through the Health Center Program. General approaches include developing the infrastructure for high quality care through the adoption of health information technology (HIT) and the transformation of health centers to patient-centered medical homes (PCMH). PCMH and the meaningful use of HIT will enable enhanced access to care, better care coordination, and improved patient engagement. Transformed health centers are better positioned to partner with other addiction-related services in the community including inpatient and outpatient SUD services.

To further improve access and raise the quality of SUD services, the availability of services onsite is essential. This is to be achieved by training health center clinicians to provide high quality and expanded services for those with addiction disorders. Screening, Brief Intervention, and Referral to Treatment (SBIRT) is an evidence-based process used by primary care providers in health centers to detect and treat addiction effectively. Because many communities served by health centers have a high burden of addiction disorders, many health centers have chosen to colocate and integrate SUD specialty services reflecting efficient and effective approaches in meeting patient needs. The integration of SUD services may include the provision of enhanced services, such as medication-assisted treatment (MAT), by primary care clinicians. In addition, HRSA provides guidance to health centers on collaboration with State agencies to ensure that appropriate standards of care are implemented and that referrals are coordinated.

Screening for substance use disorders has increased 53 percent since 2016 with the number of patients receiving screening, brief intervention, referral and treatment (SBIRT) increasing from 716,677 in 2016 to 1,099,001 in 2018. From 2016–2018, the number of health center providers eligible to prescribe MAT increased nearly 190 percent (from 1,700 in 2016 to 4,897 in 2018) and the number of patients receiving MAT increased 142 percent (from 39,075 in 2016 to 94,528 in 2018).

In 2018, 688 health centers provided SUD counseling and treatment services, exceeding the program 2018 target. Also in 2018, 665 health centers provided SBIRT services, exceeding the program FY 2018 target.

The Rural Communities Opioid Response program goal is to reduce the morbidity and mortality associated with opioid overdoses in rural communities through the strengthening of the organizational and infrastructural capacity of multi-sector consortiums. HRSA has developed OMB-approved performance measures to support this large-scale initiative, and data collection will begin in Spring 2020.



# MAR 1 3 2020

Indian Health Service Rockville, MD 20857

TO: Director

Office of National Drug Control Policy

Through: Deputy Assistant Secretary, Office of Budget

Office of the Assistant Secretary for Financial Resources

FROM: Chief Medical Officer

Indian Health Service

SUBJECT: Assertions Concerning Fiscal Year 2019 Performance Summary Report

National Drug Control Activities - Indian Health Service - ACTION

In accordance with the requirement of the Office of National Drug Control Policy circular, "Accounting of Drug Control Funding and Performance Summary," I make the following assertions regarding the attached fiscal year (FY) 2019 Performance Summary Report for National Drug Control Activities for the Indian Health Service (IHS):

#### Performance Reporting System

I assert that the IHS has a system to capture performance information accurately and that this system was properly applied to generate the performance data presented in the attached report.

#### Explanations for Not Meeting Performance Targets

I assert that the explanations offered in the attached report for failing to meet a performance measure target are reasonable and that any recommendations concerning plans and schedules for meeting future targets or for revision of eliminating performance targets are reasonable.

#### Methodology to Establish Performance Targets

I assert that the methodology used to establish performance measure targets presented in the attached report is reasonable given past performance and available resources.

### Page 2 - Director, Office of National Drug Control Policy

# Performance Measures Exist for All Significant Drug Control Activities

I assert that adequate performance measures and targets exist for all significant drug control activities. Since FY 2018, IHS has reported three measures for drug control activities.

RADM Michael Toedt, M.D., F.A.A.F.P. Assistant Surgeon General, U.S. Public Health Service

Michael Todas MD

Attachment: FY 2019 Performance Summary Report National Drug Control Activities - Indian Health Service (IHS)

# FY 2019 Performance Summary Report National Drug Control Activities – Indian Health Service (IHS)

Decision Unit 1: Office of Clinical and Preventive Services, Division of Behavioral Health, IHS

Measure No. (1): Improvement/Accreditation: Accreditation Rate for Youth Regional Treatment Centers (YRTCs) in operation 18 months or more.

YRTC Accreditation Table 1: Measure 1							
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	
90%	90%	100%	100%	100%	100%	100%	

(1) Performance Measures - The report must describe the performance measures used by the agency to assess the National Drug Control Program activities it carried out in the most recently completed fiscal year and provide a clear justification for why those measures are appropriate for the associated National Drug Control Program activities. The performance report must explain how the measures: clearly reflect the purpose and activities of the agency; enable assessment of agency contribution to the National Drug Control Strategy; are outcome-oriented; and are used in agency management. The description must include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to those activities.

Measure No. (1): The YRTC accreditation measure reflect an evaluation of the quality of care associated with accreditation status by either The Joint Commission or the Commission on Accreditation of Rehabilitation Facilities (CARF). This is accomplished in part by working to ensure that 100 percent of YRTCs achieve and maintain accreditation status. Accreditation status serves as evidence that the centers commit to quality improvement, monitor the results of services, and meet rigorous person-centered standards that emphasize an integrated and individualized approach to services provided to American Indian and Alaska Native (AI/AN) youth who enter residential treatment for alcohol and substance abuse. Agency management uses the performance measure as a tool to monitor the commitment to quality services provided by the centers.

(2) Prior Years Performance Targets and Results - For each performance measure, the report must provide actual performance information for the previous four fiscal years and compare the results of the most recently completed fiscal year with the projected (target) levels of performance established for the measures in the agency's annual performance budget for that year. If any performance target for the most recently completed fiscal year was not met, the report must explain why that target was not met and describe the agency's plans and schedules for meeting future targets. Alternatively, if the agency has concluded it is not possible to achieve the established target with

(3) available resources, the report should include recommendations concerning revising or eliminating the target.

The 100 percent accreditation performance measure target was met in FY 2019.

(4) Current Year Performance Targets - Each report must specify the performance targets established for National Drug Control Program activities in the agency's performance budget for the current fiscal year and describe the methodology used to establish those targets.

The FY 2020 performance target for the YRTCs remains unchanged at 100 percent for accreditation status. The methodology used to establish the FY target is 100 percent of YRTCs achieving and maintaining accreditation status as a reflection of the quality of care associated with accreditation status. The methodology used to determine the actual results at the end of the FY is the number of accredited YRTCs as the numerator and the total number of YRTCs as the denominator. In FY 2019, the number of eligible federal facilities representing the numerator and denominator was six.

(5) Quality of Performance Data - The agency must state the procedures used to ensure that the performance data described in this report are accurate, complete, and unbiased in presentation and substance. Agency performance measures must be supported by data sources that are directly pertinent to the drug control activities being assessed and ideally allow documentation of small but significant changes.

Annually, the IHS Office of Clinical and Preventive Services (OCPS), Division of Behavioral Health (DBH) requires all YRTCs to verify their current accreditation certification status by forwarding a copy of this documentation to IHS headquarters in Rockville, Maryland. Using verified program documents, this methodology ensures that standards for continued accreditation are continually being met and deficiencies are addressed. To ensure data for this performance measure are accurate, complete, and unbiased, the IHS DBH collects, evaluates, and monitors individual program files for each YRTC.

Decision Unit 2: Office of Clinical and Preventive Services, Division of Behavioral Health, IHS

Measure No. (2): Universal Alcohol Screening: 9 through 75 years of age

Universal Alcohol Screening Table 2: Measure 2							
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	
N/A	N/A	68.0%*	Retired**	N/A	N/A	N/A	

<sup>\*</sup> New measure reported in FY 2017, with a baseline result of 68.0 percent.

<sup>\*\*</sup>Measure retired after FY 2017, due to changes to the logic and reporting from a new system, the IHS's Integrated Data Collection System Data Mart (IDCS DM).

Universal Alcohol Screening Table 2: Measure 2							
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	
N/A	N/A	N/A	40.9%	37.0%	40.7%	42.4%	

Beginning in FY 2018, the new measure reflects measure logic change to screen patients 9 through 75 years of age and reporting from the IHS's IDCS DM.

(1) Performance Measures - The report must describe the performance measures used by the agency to assess the National Drug Control Program activities it carried out in the most recently completed fiscal year and provide a clear justification for why those measures are appropriate for the associated National Drug Control Program activities. The performance report must explain how the measures: clearly reflect the purpose and activities of the agency; enable assessment of agency contribution to the National Drug Control Strategy; are outcome-oriented; and are used in agency management. The description must include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to those activities.

Measure No. (2): The FY 2017 measure, *Universal Alcohol Screening*, reported alcohol screening among patients ages 12 through 75 years of age. In FY 2018, this measure changed to expand screening among patients ages 9 through 75 years, in an effort to align ages with measure No. (3) Screening, Brief Intervention, and Referral to Treatment (SBIRT).

Screening is an effective tool in identifying risky alcohol use. The updated screening criteria and measures will have a far-reaching positive impact on the overall health of AI/AN communities.

(2) Prior Years Performance Targets and Results - For each performance measure, the report must provide actual performance information for the previous four fiscal years and compare the results of the most recently completed fiscal year with the projected (target) levels of performance established for the measures in the agency's annual performance budget for that year. If any performance target for the most recently completed fiscal year was not met, the report must explain why that target was not met

and describe the agency's plans and schedules for meeting future targets. Alternatively, if the agency has concluded it is not possible to achieve the established target with available resources, the report should include recommendations concerning revising or eliminating the target.

Beginning in FY 2018, the new *Universal Alcohol Screening* measure reflected updated screening ages of patients ages 9 through 75 years of age and reporting from IHS's Integrated Data Collection System Data Mart (IDCS DM). The target for FY 2018 and FY 2019 was 37.0 percent. The IHS exceeded the target each FY at 40.9 percent and 40.7 percent, respectively.

(3) Current Year Performance Targets - Each report must specify the performance targets established for National Drug Control Program activities in the agency's performance budget for the current fiscal year and describe the methodology used to establish those targets.

The FY 2020 target for *Universal Alcohol Screening* is 42.4 percent. The target is based on consideration of current and prior year performance and projected funding for the IHS Alcohol and Substance Abuse program. The FY 2020 result will be reported from the IDCS DM.

(4) Quality of Performance Data - The agency must state the procedures used to ensure that the performance data described in this report are accurate, complete, and unbiased in presentation and substance. Agency performance measures must be supported by data sources that are directly pertinent to the drug control activities being assessed and ideally allow documentation of small but significant changes.

The FY 2018 result reflects the first year of reporting from the IDCS DM. The data source for the IDCS DM is the IHS's National Data Warehouse (NDW), which was instituted in 2006. The measure reflects Annual IHS User Population Estimates in the denominator and is produced by the NDW Workload/Userpop Mart.

The IDCS DM enables full IHS, Tribal, and Urban programs (I/T/U) participation, produces on-demand results, and reduces the time required to access data results. The IDCS DM contains a mirrored subset of NDW data. It uses Annual IHS User Population Estimates as its denominators for many of the IHS's clinical Government Performance and Results Act (GPRA) and Government Performance and Results Act Modernization Act (GPRAMA) performance measures.

The NDW built various reports that provide metadata feedback to sites that submit data export files consisting of patient demographics and patient workload. Some acknowledgement reports address the completeness of the NDW data while, other error reports identify specific errors in an export file. Source data files are accepted "as is." The NDW relies on the facility to ensure the quality of the Data being transmitted. It verifies the integrity of the data after it is loaded; that is, the data received is represented accurately in the NDW.

#### Completeness

The NDW addresses file completeness by sending automated reports that track data exports as they are received and loaded into the NDW, as described in the NDW Export Tracking Data Mart User Guide. The NDW Data Transmission Log Report is an acknowledgement notification that the file was received. If errors are detected in the export file, an acknowledgement notification describes why the file was rejected. The NDW Post-Data Load Report provides a summary of the encounters and patient registration status (added, changed, deleted, rejected), as well as any error descriptions. If the individual facility corrects the identified errors, registrations, and/or visits, the updates are included in the next NDW export as modifications. The updates will be processed and uploaded by the NDW.

#### Data Verification

The NDW performs scheduled data integrity checks on samples to ensure that the NDW is storing data as it is received from the sites. This is to verify that the data received and processed in the NDW accurately reflects the storage of data transmitted from the source system.

The NDW Data Quality Mart provides user population and workload reports that can provide information about possible issues in the "quality" of the received data. The NDW Data Quality Mart User Guide describes Web-based reports that provide a quantified picture of problems with their data, as well as enough detail to allow record level identification of problematic data, please see

(https://www.ihs.gov/sites/npirs/themes/responsive2017/display\_objects/documents/Data\_TC/NDW\_DataQualityMart\_UG.pdf). Any detail displayed is within the boundaries of currently required laws and regulations, such as the Health Insurance Portability and Accountability Act (HIPAA). The reports highlight missing data elements that were not uploaded into the NDW. When a site fixes those data elements and re-exports, the data can then be uploaded into the NDW as modifications.

Decision Unit 3: Office of Clinical and Preventive Services, Division of Behavioral Health, IHS

Measure No. (3): Screening, Brief Intervention, and Referral to Treatment (SBIRT)

SBIRT Table 3: Measure 3						
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target
N/A	N/A	3.0%*	Retired**	N/A	N/A	N/A

<sup>\*</sup> New measure reported in FY 2017, with a baseline result of 3.0 percent.

<sup>\*\*</sup> Measure retired after FY 2017, due to a change in reporting from a new system, the IHS's IDCS DM.

SBIRT Table 3: Measure 3							
FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	
N/A	N/A	N/A	11.8%	8.9%	14.9%	12.2%	

Beginning in FY 2018, the measure reflects reporting from the IHS's IDCS DM.

(1) Performance Measures - The report must describe the performance measures used by the agency to assess the National Drug Control Program activities it carried out in the most recently completed fiscal year and provide a clear justification for why those measures are appropriate for the associated National Drug Control Program activities. The performance report must explain how the measures: clearly reflect the purpose and activities of the agency; enable assessment of agency contribution to the National Drug Control Strategy; are outcome-oriented; and are used in agency management. The description must include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to those activities.

Measure No. (3): The SBIRT measure will assess patients for risky alcohol use and the level of intervention type needed. Interventions will include either a brief intervention/brief negotiated interview, or a referral for brief treatment or more intensive treatment among patients 9 through 75 years of age. Screenings will be documented within the local facility Electronic Health Record. The SBIRT model will be used in primary care and emergency departments as a way to integrate behavioral health services into primary care. Research shows that early intervention focused on risky alcohol drinking patterns can deter more significant issues later in life. By identifying risky drinking patterns early on, the IHS will be able to provide services that will reduce the long-term effects of alcohol use and associated medical complications

(2) Prior Years Performance Targets and Results - For each performance measure, the report must provide actual performance information for the previous four fiscal years and compare the results of the most recently completed fiscal year with the projected (target) levels of performance established for the measures in the agency's annual performance budget for that year. If any performance target for the most recently

completed fiscal year was not met, the report must explain why that target was not met and describe the agency's plans and schedules for meeting future targets. Alternatively, if the agency has concluded it is not possible to achieve the established target with available resources, the report should include recommendations concerning revising or eliminating the target.

Beginning in FY 2018, the new SBIRT measure reflected reporting from the IHS's IDCS DM. The target for FY 2018 and FY 2019 was 8.9 percent. IHS exceeded the target each year at 11.8 percent and 14.9 percent, respectively.

(3) Current Year Performance Targets - Each report must specify the performance targets established for National Drug Control Program activities in the agency's performance budget for the current fiscal year and describe the methodology used to establish those targets.

The FY 2020 target for the SBIRT measure is 12.2 percent. The target is based on consideration of current and prior year performance and projected funding for the IHS Alcohol and Substance Abuse program. The FY 2020 result will be reported from the IHS's IDCS DM.

(4) Quality of Performance Data - The agency must state the procedures used to ensure that the performance data described in this report are accurate, complete, and unbiased in presentation and substance. Agency performance measures must be supported by data sources that are directly pertinent to the drug control activities being assessed and ideally allow documentation of small but significant changes.

As a clinical measure, the SBIRT measure is subject to the same processes described for the Universal Alcohol screening measure using the IDCS DM. Please refer to *Universal Alcohol Screening* measure Quality of Performance Data section for further detail.



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

**MEMORANDUM TO:** Director

Office of National Drug Control Policy

**THROUGH:** Sheila Conley

Deputy Assistant Secretary of Finance Department of Health and Human Services

FROM: Nathaniel Davis Nathaniel M. Digitally signed by Nathaniel M. Digitally signed by Nathaniel M.

Chief Financial Officer Davis -S

Officer Davis -S Date: 2020.03.06 14:12:47 -05'00

National Institute on Drug Abuse

**SUBJECT:** Assertions Concerning Drug Control Accounting

In accordance with the requirements of the Office of National Drug Control Policy Circular "Accounting of Drug Control Funding and Performance Summary," 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.

#### **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 6b(2) of the Circular. In accordance with these criteria, I have documented data which support the drug methodology, explained and documented other estimation methods (the assumptions for which are subject to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived (See Exhibit A).

Obligations of prior year drug control budgetary resources are calculated as follows:

FY 2019 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). 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.

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 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.

NIDA's FY 2019 Enacted budget from the FY 2020 President's Budget (PB) was \$1,477,624,000. In December of 2019, NIDA received the FY 2019 Enacted budget of \$1,419,844,000 (\$1,169,844,000 for direct and \$250,000,000 for research relating to the Opioid Crisis. The annual appropriation was \$155,344,000 more than the FY 2020 CJ. There was a Permissive Transfer in the amount of \$3,249,000 and an HIV/AIDS transfer in the amount of \$8,379,000. NIDA obligated \$1,408,210,017 of the Annual Appropriation and \$5,983 lapsed. NIDA obligated \$213,123,550 of the two-year Opioid Crisis appropriation carried over from FY 2018.

#### **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 6a. NIDA has not modified its drug methodology from the previous year. The difference between NIDA's actual obligations and the National Drug Control Strategy Budget summary number for FY 2019 are for the same reasons described above for the FY 2019 column of the FY 2020 PB.

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

I assert 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.

- 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 January 18<sup>th</sup>, 2013. NIDA reports its entire budget to ONDCP. This unit is referred to as:
    - National Institute on Drug Abuse
  - (b) **Obligations by Drug Control Function** NIDA distributes drug control funding into two functions, prevention and treatment:
    - Research and Development Prevention
    - Research and Development Treatment
- (2) Methodology Modifications none
- (3) Material Weaknesses or Other Findings none
- (4) **Reprogrammings or Transfers** The obligation data presented are associated against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of reprogrammings or transfers affecting drug-related resources in excess of \$1 million that occurred during the fiscal year.
- (5) Other Disclosures none

# NATIONAL INSTITUTES OF HEALTH NATIONAL INSTITUTE ON DRUG ABUSE FY 2019 Actual Obligations (Dollars in Thousands)

#### I. RESOURCE SUMMARY - ANNUAL APPROP

	FY 2019 Actual
Drug Resources by Decision Unit:	
National Institute on Drug Abuse	1,150,367
Total	1,150,367
Drug Resources by Function:	
Research and Development Prevention	345,110
Research and Development Treatment	805,257
Total	1,150,367

#### I. RESOURCE SUMMARY - OPIOID CRISIS APPROP

	FY 2019 Actual
Drug Resources by Decision Unit:	
National Institute on Drug Abuse	470,967
Total	470,967
Drug Resources by Function:	
Research and Development Prevention	141,290
Research and Development Treatment	329,677
Total	470,967

# Differences Between (1) Actual Obligations and (2) the FY 19 Column of the FY 20 CJ and the National Drug Control Strategy Budget Summary (Dollars in Thousands)

Total 2019 Column of the FY 2020 CJ; National Drug Control Strategy	1,477,624
Adjustment for Enacted FY 2019 Budget	155,344
Permissive Transfer	-3,249
HIV/AIDS Transfer	-8,379
Lapse of Funds	-6
Total Annual Obligations	1,621,334

# National Institute on Drug Abuse Opioid Crisis Research

Opioid Crisis	257,843
Carry-over FY19	213,124
Total Opioid Crisis Obligations	470,967

# **Breakdown of FY19 Appropriations**

Annual Direct Appropriation	1,169,844
Research related to Opioid Crisis Addiction	250,000
Research related to Opioid Crisis Addiction Carry-over)	213,124
	1,632,968



National Institute on Alcohol Abuse and Alcoholism 5635 Fishers Lane Bethesda, MD 20892-9304

March 6, 2020

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

**THROUGH:** Sheila Conley

Deputy Assistant Secretary of Finance Department of Health and Human Services

FROM: Judit O'Connor Judit Digitally signed by Judit O'Connor Solution Of Solution Sol

Chief, Financial Management Branc@'connor -S Date: 2020.03.06
14:47:42-05'00'
National Institute on Alcohol Abuse and Alcoholism

**SUBJECT:** Assertions Concerning Drug Control Accounting

In accordance with the requirements of the Office of National Drug Control Policy Circular "Accounting of Drug Control Funding and Performance Summary," I make the following assertions regarding the attached annual accounting of drug control funds:

#### **Obligations by Budget Decision Unit**

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

#### **Methodology**

I assert that the methodology used to calculate obligations of prior year budgetary resources by function for the institute was reasonable and accurate in accordance with the criteria listed in Section 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 the obligation data presented are associated against a financial plan that complied fully with all Fund Control Notices issued by the Director under 21 U.S.C. 1703(f) and with ONDCP Circular *Budget Execution*, dated January 18, 2013.

NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM FY 2019 ACTUAL OBLIGATIONS
(Dollars in Thousands)

	FY 2019 Actuals
Drug Resources by Decision Unit:	
National Institute on Alcohol Abuse and Alcoholism	<u>\$57,570</u>
Total Drug Resources by Decision Unit	\$57,570
Drug Resources by Function:	
Research and Development: Prevention	\$51,208
Research and Development: Treatment	<u>\$6,362</u>
Total Drug Resources by Function	\$57,570

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





National Institutes of Health Bethesda, Maryland 20892

DATE:

March 11, 2020

**MEMORANDUM TO:** 

Director

Office of National Drug Control Policy

THROUGH:

Richard J. Baum

Senior Policy Analyst, Office of Performance and Budget

Office of National Drug Control Policy

FROM:

Director, Division of Program Coordination,

Planning, and Strategic Initiatives (DPCPSI), NIH

**SUBJECT:** 

Assertions Concerning Performance Summary Report

In accordance with the requirements of the Office of National Drug Control Policy circular "National Drug Control Program Agency Compliance Reviews," I make the following assertions regarding the attached Performance Summary Report:

#### Performance Reporting System

I assert that NIH has a system to capture performance information accurately and that this system was properly applied to generate the performance data presented in the attached report.

#### **Explanations for Not Meeting Performance Targets**

I assert that explanations offered in the attached report for failing to meet a performance target are reasonable and that any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets are reasonable.

#### Methodology to Establish Performance Targets

I assert that the methodology used to establish performance targets presented in the attached report is reasonable given past performance and available resources.

#### Performance Measures Exist for All Significant Drug Control Activities

I assert that adequate performance measures exist for all significant drug control activities.

James M. Anderson -S Digitally signed by James M. Anderson -S Date: 2020.03.11 14:54:49 -04'00'

James M. Anderson, MD, PhD Director, DPCPSI

#### FY 2019 Performance Summary Report for National Drug Control Activities

#### **Decision Unit 1: National Institute on Drug Abuse (NIDA)**

#### Prevention

**Measure SRO-5.15:** By 2025, develop, refine, and evaluate evidence-based intervention strategies and promote their use to prevent substance misuse and substance use disorders and their consequences in underage populations. (Note: NIDA's contribution to this measure ended in FY 2019 as planned.)

**Replacement Measure SRO-5.2** (reporting begins in FY 2020): By 2025, develop or evaluate the efficacy or effectiveness of new or adapted prevention interventions for substance use disorders (SUD).

**Table 1:** NIDA Annual Targets

		SRO-5.15			SRO-5.2
FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target
41 research articles were published examining the efficacy of a variety of prevention interventions to protect youths from initiation or escalation of substance use and associated negative health outcomes.	The efficacy or effectiveness of three interventions to prevent substance use and other risk behaviors in "high risk" youth and young adult populations was tested.	The effect of an intervention to prevent prescription drug abuse in youth and young adult populations was tested, and several ongoing studies are assessing the efficacy or effectiveness of strategies to prevent prescription drug abuse in this target population.	Develop, adapt or tailor at least one intervention or strategy to prevent prescription drug misuse and/or opioid use disorder in older adolescent and young adult populations.	NIDA supported at least three projects focused on developing, tailoring and/or adapting interventions to prevent prescription drug misuse and/or OUD in older adolescent and young adult populations.	Conduct 3-5 pilot studies to test the efficacy of promising prevention interventions for SUD.

(1) Describe the measure. In doing so, provide an explanation of how the measure (1) reflects the purpose of the program, (2) contributes to the *National Drug Control Strategy*, and (3) is used by management of the program. This description should include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to the agency's drug control activities.

NIH's growing knowledge about substance use and addiction (including tobacco, alcohol, illicit, and nonmedical prescription drug use) is helping to inform the development of prevention strategies that are evidence-based and rooted in a growing understanding of the biological (e.g., genetics, neurobiology), psychosocial (e.g., support systems, stress resilience), and environmental (e.g., socioeconomic, cultural) factors that influence risk for substance use and related disorders. NIH-supported research is building the scientific knowledge base to advance the development of effective, tailored prevention strategies for youth.

NIH's prevention portfolio encompasses a broad range of research to increase our understanding of the factors that enhance or mitigate an individual's propensity to initiate drug use or to escalate from use to substance use disorders (SUD) across different developmental stages. Understanding the mechanisms through which these factors influence substance use and addiction across individuals is critical for designing more effective prevention strategies. SRO-5.15 focuses on developing, refining, evaluating, and disseminating evidence-based intervention strategies to prevent substance misuse and substance use disorders (SUD) and their consequences in underage populations and contributed to the objective of Enhancing Research and the Development of Evidence-Based Prevention Programs in the 2019 National Drug Control Strategy.

The efficacy and cost-effectiveness of primary prevention programs – designed to prevent substance use before it starts or prevent escalation to SUD – can be enhanced by targeting prevention efforts toward populations with specific vulnerabilities (genetic, psychosocial, or environmental) that affect their likelihood of taking drugs or becoming addicted. For example, prevention programs designed for sensation-seeking youth are effective for these youth, but not for their peers who do not demonstrate a high level of sensation seeking. High levels of sensation-seeking, and other traits known to be risk factors for substance misuse – such as high impulsivity or early aggressive behavior – may be identified early using genetic markers.

It is estimated that genetic factors account for approximately half of the risk for addiction. A number of genetic markers have been identified that influence risk for addiction, and recent research has shown that genetic risk factors can influence the effectiveness of school-based prevention interventions. This information can be harnessed for improving prevention by personalizing interventions for optimal benefit. Such strategies would enable substance use prevention programs to tailor programs more precisely based on individual or group vulnerability, ultimately increasing their impact and cost-effectiveness. Combined with improved educational efforts to increase an individual's awareness of his or her personal risk, this preemptive prevention approach can empower people to make decisions that ultimately prevent substance use from starting or escalating.

The information gained from research on the factors that influence risk and resilience to SUD will lay the foundation for improved and tailored prevention efforts in the future. As personalized risk (or protective) factors for substance use and addiction vulnerability are identified, NIH will encourage researchers to use that information to better understand how biological factors, combined with environmental ones, contribute to SUD vulnerability, thereby enhancing its prevention portfolio. NIH will also encourage the scientific community to use this knowledge to develop and test targeted prevention interventions for populations with differing vulnerabilities to improve our Nation's intervention efforts, similar to the strategy now being used to prevent substance use in high sensation-seeking youth.

(2) Provide narrative that examines the FY 2019 actual performance results with the FY 2019 target, as well as prior year actuals. If the performance target was not achieved for FY 2019, the agency should explain why this is the case. If the agency has concluded it is not possible to achieve the established target with available resources, the agency should include recommendations on revising or eliminating the target.

The FY 2019 target was met. In FY 2019 NIDA supported at least three projects focused on developing, tailoring and/or adapting interventions to prevent prescription drug misuse and/or opioid use disorders (OUD) in older adolescent and young adult populations.

NIDA supported a project which intervenes at the level of the patient, aiming to improve opioid risk understanding and analgesic decision-making and to enhance analgesic self-efficacy, analgesic use, storage behaviors and pain outcome. The project tests the effectiveness of targeting parents of children who have been prescribed opioids for acute pain with new strategies to help parents learn about opioid risks, make safe and effective analgesic decisions, and develop and demonstrate safe drug management behaviors.

NIDA also supported two projects that are examining interventions at the level of the provider testing strategies to change prescribing behavior. One project focuses on a behavioral intervention for providers that alters the default settings for prescribing opioids to children and young adults after common childhood surgical procedures like tonsillectomy. Another study seeks to reduce the number of opioids prescribed after caesarian section, in order to reduce the prescription of unused opioids and reduce the potential for friends and family members to obtain and misuse such opioids.

While it is too early for these studies to have produced published findings, each represents NIDA's commitment to finding novel approaches to prevent opioid misuse.

(3) The agency should describe the performance target for FY 2020 and how the agency plans to meet this target. If the target in FY 2019 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2020.

NIDA's contribution to SRO-5.15 ended in FY 2019 as planned. Starting in FY 2020, NIDA will report on replacement measure SRO-5.2, which aims to develop or evaluate the efficacy or effectiveness of new or adapted prevention interventions for substance use disorders. NIDA developed this measure to more broadly capture the Institute's significant investment in research focused on the prevention of drug use, addiction, and overdose in different populations. This measure contributes to the objective of Enhancing Research and the Development of Evidence-Based Prevention Programs in the 2020 National Drug Control Strategy.

The FY 2020 target is to conduct 3-5 pilot studies to test the efficacy of promising prevention interventions for SUD. As part of NIH's Helping to End Addiction Long-term (HEAL<sup>SM</sup>) Initiative to speed scientific solutions to the national opioid public health crisis, NIDA is launching the HEAL Preventing Opioid Misuse and Opioid Use Disorder in Older Adolescents and Young Adults (ages 16-30) Initiative. This HEAL Prevention Initiative consists of up to ten research projects and one coordinating center. The overall research focus is to develop, adapt, and test interventions and strategies to prevent initiation of opioid misuse and development of OUD in at-risk older adolescents and young adults. Of priority are studies that target older adolescents and young adults in health care settings; justice settings (including criminal justice, juvenile justice, as well as child welfare and other systems that intersect with the justice system); and other systems and settings opportune for accessing and engaging at-risk older adolescents

and young adults. Several studies within this project were funded in late FY 2019 and are being conducted in FY 2020.

(4) The agency should describe the procedures used to ensure performance data for this measure are accurate, complete, and unbiased in presentation and substance. The agency should also describe the methodology used to establish targets and actuals, as well as the data source(s) used to collect information.

Data Accuracy, Completeness and Unbiased Presentation

The research field is guided by standard scientific methodologies, policies, and protocols. The scientific process also has several benchmarks within it to ensure scientific integrity. For instance, research designs, such as qualitative, quantitative, and mixed methods, have each been tested, with evidence-based strategies established to guide the implementation of all scientific research studies. In these processes, data collection, security, management, and structures are clearly defined to ensure optimum analyses.

Data analyses are guided by statistical methodologies, a mathematical science used to test assumptions. In addition, NIH has incorporated standardized policies and procedures for making funding announcements, assessing meritorious science, monitoring progress of grantees and scientists in achieving the expected outcomes, and assessing performance at the project's conclusion. Researchers are also expected to publish findings in peer-reviewed journals, which offer another layer of assessment and validation of the findings. In addition, all studies involving human subjects must receive Institutional Review Board (IRB) clearance, yet another form of review that ensures the relevance of the study and the safety of the subjects. NIH's research activities implement and practice all scientifically relevant procedures to ensure data quality and to substantiate findings.

In implementing scientific research, NIH uses established tools to develop and oversee programs and improve their performance, proactively monitoring grants, contracts, and cooperative agreements and assess their performance. The following briefly describes the NIH scientific process, which has been assessed by outside entities and is regarded as premier.

<u>Assessment to fund meritorious science (peer review).</u> NIH uses state-of-the-art assessment to determine scientific merit and make funding decisions based on the best science. In general, project plans presented in competing grant applications and contract proposals are subject to three levels of review focused on the strength and innovation of the proposed research, the qualifications of the investigator(s), and the adequacy of the applicant's resources:

• The first level of review, called peer review, ensures that the most meritorious science, as determined by the scientific field's experts, is identified for funding. NIH has over 11,000 external experts participating in peer review panels, each of whom is nationally recognized for his or her area of expertise. The applications are systematically reviewed and scored to inform funding decisions. NIH is one of the few Federal agencies with a legislative requirement for peer review.

- The second level of review is by the Institute's National Advisory Council, which is comprised of eminent scientists along with members of the general public. The Council serves as a useful resource to keep each Institute abreast of emerging research needs and opportunities, and to advise the Institute on the overall merit and priority of grant applications in advancing the research. All members of Council are appointed by the HHS Secretary.
- The third level of review is by the Institute Director, with input from Institute staff who have relevant expertise. The Director makes the final decision on whether an application will receive funding.

These layers of expert review assessing scientific methodologies and relevance to the field enable funding of the most promising research to advance the field. Consequently, funding decisions made at the agency level are conducted in a consistent, merit-based fashion, guided by scientific methodologies and relevance.

<u>Performance monitoring of grants and contracts.</u> Once an award is made, additional NIH policies and guidelines are implemented to ensure oversight of the proposed project aims and program goals. The <u>NIH Grants Policy Statement</u> provides the standardized protocols for monitoring performance-based grants and contracts. Although there are many procedures, a few significant items include the timely submission of progress and final reports. These are assessed by NIH project officers and grants management staff to determine adherence to the approved scientific research plan and to appropriate cost principles and legislative compliance. Project officers may work closely with principal investigators to facilitate adherence, address barriers, and ensure quality programmatic achievements.

As a standard performance-based practice, the approved scientific aims and objectives formulate the terms and conditions of each grant award and become the focus of scientific monitoring. The NIH Grants Policy Statement, referenced as a term of every award, states the specific administrative requirements for project monitoring and enforcement actions when a grantee fails to comply with the terms and conditions of the award. NIH staff monitor scientific progress against the approved aims and scope of the project, as well as administrative and fiscal compliance through review of periodic progress reports, publications, correspondence, conference calls, site visits, expenditure data, audit reports (both annual institutional financial reports and project-specific reports), and conference proceedings. When a grantee fails to comply with the terms and conditions of an award, enforcement actions are applied. These may include modification to the terms of award, suspension, withholding support, and termination.

A further checkpoint for programmatic assessment occurs when the applicant requests renewal support of continuation research. A peer review group again assesses the merits of future research plans in light of the progress made during the previous project period, and any problems in grantee performance are addressed and resolved prior to further funding. This process further demonstrates use of assessments to improve performance.

<u>Review of manuscripts.</u> Ultimately, the outcomes of any scientific research are judged based on published results in a peer-reviewed journal. The peer-review publication process is another point in which the quality and innovation of the science undergoes a rigorous evaluation. For

most scientific journals, submitted manuscripts are assigned to a staff editor with knowledge of the field discussed in the manuscript. The editor or an editorial board will determine whether the manuscript is of sufficient quality to disseminate for external review and whether it would be of interest to their readership. Research papers that are selected for in-depth review are evaluated by at least two outside referees with knowledge in the relevant field. Papers generally cannot be resubmitted over a disagreement on novelty, interest, or relative merit. If a paper is rejected on the basis of serious reviewer error, the journal may consider a resubmission.

<u>Additional controls specific for genetics projects.</u> For all genetics projects (i.e., both contracts and grants), a three-tier system ensures data accuracy. This system is based on sound, proven scientific methodology internally governed by the larger scientific research community (as described above). First, gene expression levels are validated using highly quantitative methods to measure ribonucleic acid (RNA) levels. Second, each study builds in a replication design using subsets of the study population or, sometimes, different study populations. Third, the information gleaned from these studies is compared against previously collected data or, if not available, replicated and validated in models suited to evaluate the implications of the genetic findings.

Every effort is made to acquire complete data sets; however, several factors can limit a researcher's ability to do so. These factors are either intrinsic to the type of data being collected (inability to collect from all drug users, all ethnic minorities, every developmental stage, every comorbid association, etc.) or linked to the incompleteness of genetic information databases (considerable gaps in SNP collections, many genes yet unidentified or without known function, etc.). Some level of data incompleteness mires all human genomic programs in which population sampling, limited by cost considerations, must be used. These obstacles, however, do not necessarily jeopardize data quality, since many powerful post-hoc standard protocols are available and being deployed to clean the data sets and ensure accuracy and replicability.

#### Methodology Used to Establish Targets/Actuals

The targets are established based on the state of the science in a particular field and knowledge of the scientific process by which advances are made. NIDA supports a robust portfolio on implementation science research to better understand the factors that influence successful dissemination and implementation of tested and efficacious interventions in real world settings. The targets are established based on where the field stands in this process and on the next logical scientific step for moving the field forward.

#### Data Sources

Each grantee provides an annual progress report that outlines past-year project accomplishments, including information on patients recruited, providers trained, patents filed, manuscripts published, and other supporting documentation, depending on the goals of the study. This information allows NIH to evaluate progress achieved or to make course corrections as needed.

#### **Treatment**

**Measure SRO-4.9:** By 2020, evaluate the efficacy of new or refined interventions to treat opioid use disorders (OUD). (Note: NIDA began reporting on this measure in FY 2019. The change was made to reflect the Institute's enhanced focus on finding new or improved strategies for treating OUD.)

**Table 2:** NIDA Annual Targets

	SRO-7.3*			SRO-4.9	
FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target
Five interventions utilizing HIT, including mobile health technology, addressing five research priority areas were developed. All interventions were found to be feasible and will undergo additional revision and efficacy testing in preparation for broad dissemination and implementation.	Research testing the feasibility and efficacy of 3 technology-based strategies to improve substance use disorder treatments and adherence was conducted, including research in 2 different care delivery settings.	Research testing the feasibility and efficacy of 2 technology-based strategies to improve substance use disorder treatments and adherence was conducted, including (1) reSET-O which is under expedited review by FDA and (2) a webdelivered cognitive behavior therapy for veterans who screen positive for PTSD and SUD.	Conduct one preclinical study and one clinical trial to develop nonopioid based medications to treat OUD that may avoid the risks of opioid dependence and overdose.	A pre-clinical study of a novel opiate withdrawal therapy was conducted, and a clinical trial of a therapy for both opioid withdrawal and associated insomnia was also conducted.	Conduct one pre- clinical and one clinical study of a longer acting formulation of a medication for the treatment of opioid use disorders or opioid overdose.

<sup>\*</sup>SRO-7.3: By 2020, develop and/or evaluate two treatment interventions using health information technology (HIT) to improve patient identification, treatment delivery and adherence for substance use disorders and related health consequences.

(1) Describe the measure. In doing so, provide an explanation of how the measure (1) reflects the purpose of the program, (2) contributes to the *National Drug Control Strategy*, and (3) is used by management of the program. This description should include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to the agency's drug control activities.

Opioid misuse, addiction, and overdose is an ongoing and rapidly evolving public health crisis. Millions of Americans have an opioid use disorder (OUD), and millions more suffer from chronic pain. There are multiple factors that contribute to poor treatment uptake for OUD, and NIDA is taking a multi-pronged approach to mitigate these factors. NIDA is playing a major role in NIH's Helping to End Addiction Long-term (HEAL<sup>SM</sup>) Initiative, launched in April 2018 to provide scientific solutions to the national opioid overdose crisis, including improved treatment strategies for pain as well as OUD. This Congress-funded initiative brings new hope for people, families, and communities affected by this devastating crisis. This measure reflects NIDA's commitment to finding innovative solutions to this crisis, and contributed to the objectives of Improving the Response to

Overdose and Enhancing Evidence-Based Addiction Treatment in the 2019 *National Drug Control Strategy* and contributes to the corresponding objectives in the 2020 *Strategy*.

(2) Provide narrative that examines the FY 2019 actual performance results with the FY 2019 target, as well as prior year actuals. If the performance target was not achieved for FY 2019, the agency should explain why this is the case. If the agency has concluded it is not possible to achieve the established target with available resources, the agency should include recommendations on revising or eliminating the target.

The FY 2019 target was met. In FY 2019, NIDA funded the preclinical development of ITI-333. This is a novel compound with high affinity activity at mu opioid (MOP), 5-HT2A, and D1 receptors. The pre-clinical profile of ITI-333 suggests a promising medication, lacking addiction liability, for treatment of opioid withdrawal in individuals with OUD. ITI is currently completing Investigational New Drug (IND)-enabling nonclinical safety, toxicology, pharmacokinetic and manufacturing activities to start studies in humans (clinical trials).

NIDA also funded a clinical trial to evaluate the safety and efficacy of suvorexant for treatment of insomnia and opioid withdrawal in patients with OUDs. Suvorexant is an orexin-1 antagonist that is approved by the FDA for treatment of insomnia because it improves sleep architecture without producing drug dependence. In addition, the orexin system has been involved in the pathophysiology of OUD. Therefore, suvorexant is promising medication to treat the sleep problems of OUD and OUD itself.

(3) The agency should describe the performance target for FY 2020 and how the agency plans to meet this target. If the target in FY 2019 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2020.

The FY 2020 target is to conduct one pre-clinical and one clinical study of a longer acting formulation of a medication for the treatment of opioid use disorders or opioid overdose. NIDA's continuing investment in medications development includes longer acting formulations of medications, which will continue throughout FY 2020.

(4) The agency should describe the procedures used to ensure performance data for this measure are accurate, complete, and unbiased in presentation and substance. The agency should also describe the methodology used to establish targets and actuals, as well as the data source(s) used to collect information.

Data Accuracy, Completeness, and Unbiased Presentation

As described above, the research field (including health services research) is guided by standard scientific methodologies, policies, and protocols to ensure the validity of its research results. NIH uses these established tools for program development; for actively monitoring grants, contracts, and cooperative agreements; and for assessing performance of grants and contracts in order to oversee the program and improve performance. These tools have been described in response to question 4 above.

#### Data Sources

For SRO-4.9's FY 2019 target, NIDA relied on annual progress reports provided by each grantee that outlined past-year project accomplishments, including information on patients recruited, providers trained, patents filed, manuscripts published, and other supporting documentation. This information allowed NIH to evaluate progress achieved and to make course corrections when needed.

#### Decision Unit 2: National Institute on Alcohol Abuse and Alcoholism (NIAAA)

**Measure SRO-5.15:** By 2025, develop, refine and evaluate evidence-based intervention strategies and promote their use to prevent substance misuse and substance use disorders and their consequences in underage populations.

**Table 1:** NIAAA Annual Targets

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target
NIAAA promoted	NIAAA promoted	Researchers	Develop an	Researchers	Develop a digital
and disseminated	and disseminated	supported by	intervention to	demonstrated the	technology-
the College	CollegeAIM and	NIAAA developed	prevent or	efficacy of	based
Alcohol	initiated efforts to	and evaluated the	reduce alcohol	interventions	intervention to
Intervention	update	effects of combined	misuse among	involving brief	prevent or
Matrix	CollegeAIM to	individual- and	college-age	motivational	reduce alcohol
(CollegeAIM), and	reflect the latest	community-level	individuals.	interviewing and	misuse in
disseminated the	evidence-based	interventions to		a supplemental	underage
youth screening	alcohol	reduce underage		activity for	individuals.
guide through print	interventions.	drinking by Native		reducing alcohol	
and electronic		American youth on		misuse among	
media.		rural California		college age	
		reservations.		individuals.	

(1) Describe the measure. In doing so, provide an explanation of how the measure (1) reflects the purpose of the program, (2) contributes to the *National Drug Control Strategy*, and (3) is used by management of the program. This description should include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to the agency's drug control activities.

Alcohol use is commonly initiated during adolescence, a developmental period characterized by complex social, physiological, behavioral, and neurobiological changes. The brain, particularly the frontal cortex, continues to develop throughout adolescence, reaching maturity at about age 25. Adolescents are particularly vulnerable to the adverse consequences of alcohol use. A growing body of evidence demonstrates that adolescent alcohol exposure can affect normal brain development, compromise short- and long-term cognitive functioning, and increase the likelihood of developing alcohol-related problems during adolescence and later in life. Adolescent alcohol consumption also increases the risk for other adverse outcomes such as blackouts, physical and sexual assault, risky sexual behavior, alcohol overdose, injuries, and death. Given the pervasive use of alcohol among young people, the potential impact on their developmental trajectories, and the increased risk for alcohol use disorder (AUD) and other harmful consequences, effective strategies are needed to prevent the initiation and escalation of youth alcohol use and the associated adverse outcomes.

SRO-5.15 is focused on developing, evaluating, and promoting evidence-based intervention strategies to prevent substance misuse and substance use disorders and their consequences in underage populations, thereby contributing to the objective of Enhancing Research and the Development of Evidence-Based Prevention Programs in the 2019 National Drug Control Strategy and the corresponding objective in the 2020 Strategy. NIAAA supports research on preventing and reducing alcohol misuse, including underage alcohol use, as well as preventing and treating AUD and other alcohol-related problems. NIAAA's underage alcohol prevention

efforts focus on risk assessment and screening, universal and selective prevention, early intervention (i.e., before problems escalate and/or become chronic), and timely treatment as appropriate. NIAAA supports a range of interventions at the individual-, school/college-, family-, community-, and policy-level in support of this effort.

(2) Provide narrative that examines the FY 2019 actual performance results with the FY 2019 target, as well as prior year actuals. If the performance target was not achieved for FY 2019, the agency should explain why this is the case. If the agency has concluded it is not possible to achieve the established target with available resources, the agency should include recommendations on revising or eliminating the target.

The FY 2019 target was met. Brief Motivational Interviewing (BMI) is a cost-effective preventive intervention for alcohol misuse that involves providing individualized feedback on drinking behavior and associated risks. Feedback may include goal-setting strategies for cutting back on drinking or reducing risks of harm. Although BMI is considered an effective intervention for college-age populations, the magnitude of the effect is typically moderate or small. For this reason, researchers have studied the utility of adding additional intervention elements to enhance the effects of BMI on reducing alcohol consumption and resulting harms among college students. NIAAA-supported researchers conducted a two-site randomized controlled clinical trial in a college student population to evaluate BMI efficacy when supplemented by a substance-free activity session or relaxation training session. Outcomes were evaluated up to 16 months after the intervention. Compared to the control condition, BMI combined with either an activity session or relaxation training was associated with reductions in alcohol use and related problems across the 16-month follow-up period. The combined approach resulted in effects greater in magnitude when compared to previous reports of BMI alone. The same research group conducted an analysis of existing data from three randomized controlled trials specifically to examine the effects of BMI with a supplemental intervention on alcohol-induced blackouts in college-age individuals. Their analyses indicated that, compared to a control group, participants who received BMI in conjunction with either a substance-free activity session or relaxation training were less likely to report a blackout up to six months later. Together, these two studies demonstrate the efficacy of BMI supplemented with an additional intervention session for reducing alcohol misuse and related problems, including alcohol-induced blackouts, and suggest that supplemental activities enhance the impact of BMI effects.

(3) The agency should describe the performance target for FY 2020 and how the agency plans to meet this target. If the target in FY 2019 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2020.

The FY 2020 target is to develop a digital technology-based intervention to prevent or reduce alcohol misuse in underage individuals. Prevention of alcohol misuse is an objective highlighted in NIAAA's Strategic Plan, and the Institute currently supports multiple studies that are assessing innovative strategies such as web-based programs and text-based interventions for reducing alcohol use and adverse alcohol-related consequences in this population.

(4) The agency should describe the procedures used to ensure performance data for this measure are accurate, complete, and unbiased in presentation and substance. The agency should also describe the methodology used to establish targets and actuals, as well as the data source(s) used to collect information.

Data Accuracy, Completeness and Unbiased Presentation

The field of alcohol research is guided by standard scientific methodologies, policies, and protocols to ensure the validity of its research results. Moreover, NIH has incorporated standardized policies and procedures for making funding announcements, identifying meritorious science, monitoring progress of grantees and scientists in achieving the expected outcomes, and assessing performance at the project's conclusion. Researchers are also expected to publish findings in peer-reviewed journals, which offer another layer of assessment and validation of the findings. In addition, all studies involving human subjects must receive Institutional Review Board (IRB) clearance, yet another form of assessment that ensures the relevance of the study and the safety of the subjects. NIH's research activities implement and practice all scientifically relevant procedures to ensure data quality and to substantiate findings.

In implementing scientific research, NIH uses established tools to develop and oversee programs and improve their performance, proactively monitoring grants, contracts, and cooperative agreements and assessing their individual performance. The following briefly describes the NIH scientific process, which has been assessed by outside entities and is regarded as premier.

<u>Assessment to fund meritorious science (peer review).</u> NIH uses state-of-the-art assessment to determine scientific merit and make funding decisions based on the best science. In general, project plans presented in competing grant applications and contract proposals are subject to three levels of review focused on the strength and innovation of the proposed research, the qualifications of the investigator(s), and the adequacy of the applicant's resources:

- The first level of review, called peer review, ensures that the most meritorious science, as determined by the scientific field's experts, is identified for funding. NIH has over 11,000 external experts participating in peer review panels, each of whom is nationally recognized for his or her area of expertise. The applications are systematically reviewed and scored to inform funding decisions. NIH is one of the few Federal agencies with a legislative requirement for peer review.
- The second level of review is by the Institute's National Advisory Council, which comprises eminent scientists along with members of the general public. The Council serves as a useful resource to keep each Institute abreast of emerging research needs and opportunities, and to advise the Institute on the overall merit and priority of grant applications in advancing the research. All members of Council are appointed by the HHS Secretary.
- The third level of review is by the Institute Director, with input from Institute staff who have relevant expertise. The Director makes the final decision on whether an application will receive funding.

These layers of expert review assessing scientific methodologies and relevance to the field enable funding of the most promising research to advance the field. Consequently, funding decisions made at the agency level are conducted in a consistent, merit-based fashion, guided by scientific methodologies and relevance.

<u>Performance monitoring of research and development grants and contracts.</u> Once an award is made, additional NIH policies and guidelines are implemented to ensure oversight of the proposed project aims and program goals. The <u>NIH Grants Policy Statement</u> provides the standardized protocols for monitoring performance-based grants and contracts. Although there are many procedures, a few significant items include the timely submission of progress and final reports. These are assessed by NIH program officials and grants management staff to determine adherence to the approved scientific research plan, appropriate cost principles, and legislative requirements. Program officials may work closely with principal investigators to facilitate adherence, address barriers, and ensure quality programmatic progress.

As a standard performance-based practice, the approved scientific aims and objectives formulate the terms and conditions of each grant award and become the focus of scientific monitoring. The NIH Grants Policy Statement, referenced as a term of every award, states the specific administrative requirements for project monitoring and enforcement actions when a grantee fails to comply with the terms and conditions of the award. NIH staff monitor scientific progress against the approved aims and scope of the project, as well as administrative and fiscal compliance through review of periodic progress reports, publications, correspondence, conference calls, site visits, expenditure data, audit reports (both annual institutional financial reports and project specific reports), and conference proceedings. When a grantee fails to comply with the terms and conditions of an award, enforcement actions are applied. These may include modification to the terms of award, suspension, withholding of support, and termination.

A further checkpoint for programmatic assessment occurs when the applicant requests renewal support to continue a project. A peer review group again assesses the merits of future research plans in light of the progress made during the previous project period, and any problems in grantee performance are addressed and resolved prior to further funding. This process further demonstrates use of assessments to improve performance.

<u>Review of manuscripts.</u> Ultimately, the outcomes of any scientific research are judged based on published results in a peer-reviewed journal. The peer-review publication process is another point in which the quality and innovation of the science undergoes a rigorous evaluation. For most scientific journals, submitted manuscripts are assigned to a staff editor with knowledge of the field discussed in the manuscript. The editor or an editorial board will determine whether the manuscript is of sufficient quality to disseminate for external review and whether it would be of interest to their readership. Research papers that are selected for in-depth review are evaluated by at least two outside referees with knowledge in the relevant field.

Methodology Used to Establish Targets/Actuals

The targets have been established based on the existing protocols. As discussed above, these protocols undergo a rigorous review process to determine which research areas hold the most

promise for filling gaps and should therefore be prioritized for testing. The target values are based on sound methodological procedures and related timelines set for each protocol. While these methodologies cannot precisely predict the course of a study, the likely path of implementation and timing is based on knowledge gained from earlier research and will be used to generate the targets for this measure.

#### Data Sources

Progress reports that outline project accomplishments allow NIH to evaluate progress achieved and/or to make course corrections as needed. Peer-reviewed publications are also used as indicators of performance.

#### **Treatment**

**SRO-4.15:** By 2021, evaluate three interventions for facilitating treatment of alcohol misuse in underage populations. (Note: NIAAA's contribution to the previous Treatment measure SRO-8.7 ended in FY 2018 as planned.)

 Table 2: NIAAA Annual Targets

	SRO-8.7*			SRO-4.15	
FY 2016 Actual*	FY 2017 Actual*	FY 2018 Actual*	FY 2019 Target	FY 2019 Actual	FY 2020 Target
NIAAA encouraged youth alcohol screening and referral to treatment by supporting and promoting continuing medical education training on the use of the guide, organizing or participating in symposia addressing youth alcohol screening, and supporting studies to evaluate the youth screening guide in various settings and populations.	NIAAA supported a multi-site, school-based study to evaluate NIAAA's Alcohol Screening and Brief Intervention for Youth: A Practitioner's Guide, and another study to evaluate a brief alcohol intervention for adolescents hospitalized for a suicide plan or attempt who report cooccurring alcohol use.	NIAAA-supported investigators published research findings from an evaluation of NIAAA's Youth Guide, and NIAAA staff disseminated information about studies evaluating the effectiveness of alcohol screening and brief intervention.	Test a screening and brief alcohol intervention in an underage population.	Researchers tested NIAAA's Alcohol Screening and Brief Intervention for Youth: A Practitioner's Guide's two-question screening tool to determine its predictive ability in identifying future risk for alcohol-related problems in an underage population.	Test a behavioral therapy for intervening with alcohol misuse in an underage population.

<sup>\*</sup>SRO-8.7: By 2018, identify three effective system interventions generating the implementation, sustainability and ongoing improvement of research-tested interventions across health systems.

(1) Describe the measure. In doing so, provide an explanation of how the measure (1) reflects the purpose of the program, (2) contributes to the *National Drug Control Strategy*, and (3) is used by management of the program. This description should include sufficient detail to permit non-experts to understand what is being measured and why it is relevant to the agency's drug control activities.

Although underage alcohol use in the United States has declined by about one-third over the past decade, it remains unacceptably high. In 2018, about 19 percent of 12- to 20-year-olds reported alcohol use in the past month, and about 11 percent of them reported binge drinking during that period. An estimated 1.4 million adolescents aged 12-20 had alcohol use disorder (AUD) in 2018. Given the pervasive use of alcohol among adolescents and the risk for a wide range of short- and long-term consequences, including injuries, altered brain development, and AUD, intervening with adolescent alcohol use is a key research priority.

Alcohol screening and brief intervention in primary care has been recognized as a leading preventive service for reducing harmful alcohol use in adults, and a growing body of evidence demonstrates its effectiveness in preventing and reducing alcohol misuse in youth. Yet research indicates that adolescents are not routinely asked about drinking when they interface with the

health care system. NIH supports research on the implementation of alcohol screening and brief intervention among youth, including those disproportionally affected by alcohol misuse, in healthcare and other settings. NIH also supports research on the use of evidence-based behavioral therapies that target underage alcohol misuse. SRO-4.15 is focused on evaluating interventions for facilitating treatment of alcohol misuse in underage populations, which contributed to the objective of <a href="Enhancing Evidence-Based Addiction Treatment in the 2019">Enhancing Evidence-Based Addiction Treatment in the 2019</a> <a href="Mational Drug Control Strategy">National Drug Control Strategy</a> and contributes to the corresponding objective in the <a href="2020">2020</a> <a href="2020">Strategy</a>.

(2) Provide narrative that examines the FY 2019 actual performance results with the FY 2019 target, as well as prior year actuals. If the performance target was not achieved for FY 2019, the agency should explain why this is the case. If the agency has concluded it is not possible to achieve the established target with available resources, the agency should include recommendations on revising or eliminating the target.

The FY 2019 target was met. Several studies have demonstrated the utility of NIAAA's youth alcohol screening guide in identifying youth who are at current risk for alcohol-related problems, but no studies had been performed to test whether it can predict risk for future alcohol problems. A multi-site study conducted at 16 pediatric emergency departments by NIAAA-supported researchers evaluated the two-question screening tool's predictive validity for future AUD. They found that the two-question screening tool has acceptable predictive validity with respect to risk for AUD at one, two, and three years after the initial screening. These findings demonstrate that the youth screening guide is effective for identifying current and future risk for alcohol-related problems in youth.

Additionally, in a recent NIAAA-supported study, researchers examined the effects of screening, brief intervention, and referral to treatment (SBIRT) delivered in pediatric primary care settings on health care use and health outcomes over time. The investigators used electronic health data from a randomized clinical trial of adolescents aged 12-18 years that compared SBIRT delivered either by a pediatrician or behavioral health clinician to usual care. They found that patients who received SBIRT had fewer medical and mental health comorbidities, fewer psychiatry visits after one year, and fewer substance use diagnoses, as well as lower outpatient use over three years. These findings suggest that providing SBIRT in primary care may reduce health care use and improve adolescent health.

(3) The agency should describe the performance target for FY 2020 and how the agency plans to meet this target. If the target in FY 2019 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2020.

The FY 2020 target is to test a behavioral therapy for intervening with alcohol misuse in an underage population. Developing and improving treatment of alcohol misuse is an objective highlighted in <a href="NIAAA's Strategic Plan">NIAAA's Strategic Plan</a>. The Institute currently supports multiple studies that are evaluating behavioral therapies such as motivational interviewing for reducing alcohol use and adverse alcohol-related consequences in this population

(4) The agency should describe the procedures used to ensure performance data for this measure are accurate, complete, and unbiased in presentation and substance. The agency should also describe the methodology used to establish targets and actuals, as well as the data source(s) used to collect information.

Data Accuracy, Completeness and Unbiased Presentation

As described above, the field of alcohol research is guided by standard scientific methodologies, policies, and protocols to ensure the validity of its research results. NIH uses these established tools for program development; for actively monitoring grants, contracts, and cooperative agreements; and for assessing performance of grants and contracts in order to oversee programs and improve performance. These tools have been described in response to question 4 above.

#### Data Sources

Progress reports that outline project accomplishments allow NIH to evaluate progress achieved and/or to make course corrections as needed. Peer-reviewed publications are also used as indicators of performance.





To: Director

Office of National Drug Control Policy (ONDCP)

Through: Deputy Assistant Secretary for Finance

Department of Health and Human Services

From: Chief Financial Officer

Substance Abuse and Mental Health Services Administration

Subject: Assertions Concerning Drug Control Accounting

In accordance with the requirements of the ONDCP Circular *Accounting of Drug Control Funding and Performance Summary*, dated October 22, 2019, I make the following assertions regarding the attached annual accounting of drug control funds:

#### **Obligations by Budget Decision Unit**

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

#### **Drug Methodology**

I assert that the drug methodology used to calculate obligations of prior-year budgetary resources by function for SAMHSA was reasonable and accurate in accordance with the criteria listed in Section 6b (2) of the Circular. In accordance with these criteria, I have documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived. (See Exhibit A)

#### Application of Drug Methodology

I assert that the drug methodology disclosed in Exhibit A was the actual methodology used to generate the table required by Section 6a.

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

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

#### **Methodology Modifications**

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

#### Reprogrammings or Transfers

lassert that the data presented are associated with obligations against SAMHSA's financial plan to include funds received from ONDCP in support of the Drug Free Communities Program. There was a permissive transfer of \$8.6 million executed by SAMHSA under the Secretary's one percent transfer authority in FY 2019. SAMHSA had no reportable reprogramming in FY 2019.

#### **Fund Control Notices**

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

Deepa Avula Chief Financial Officer

#### **Attachments**

- FY 2019 Drug Control Obligations
- FY2019 Exhibit A Drug Control Methodology

#### SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

#### **FY 2019 Drug Control Obligations**

(Dollars in millions)

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

Programs of Regional and National Significance (PRNS)	
Prevention <sup>1</sup>	205.4
Treatment <sup>1</sup>	1,960.6
Total, PRNS	\$2,166.1
Substance Abuse Prevention and Treatment Block Grant (SABG)	
Prevention <sup>2</sup>	371.6
Treatment <sup>2</sup>	1,486.5
Total, SABG	\$1,858.1
Health Surveillance and Program Support (HSPS)	
Prevention <sup>3</sup>	23.28
Treatment <sup>3</sup>	92.8
Total, HSPS	<b>\$116</b>
Total Funding	\$4,140.2
Drug Resources Personnel Summary	
Total Full Time Equivalents (FTEs) $^{4}$	356
Drug Resources as a Percent of Budget	
Total Agency Budget <sup>5</sup> (in billions)	\$5.7
Drug Resources Percentage.	72.9%
Drug Free Communities Program <sup>6</sup>	

#### *Footnotes:*

<sup>&</sup>lt;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 Abuse Treatment PRNS obligations include funds provided to SAMHSA from the PHS evaluation fund. Treatment includes State Opioid Response Grants.

<sup>&</sup>lt;sup>2</sup> Substance Abuse Prevention and Treatment Block Grant obligations include funds provided to SAMHSA from the PHS evaluation fund.

<sup>&</sup>lt;sup>3</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>&</sup>lt;sup>4</sup> SAMHSA's FY 2019 final FTE (491) \* Drug Resources Percentage (72.1%) = 356 Drug Resources FTE.

<sup>&</sup>lt;sup>5</sup> Total Agency Budget does not include Drug Free Communities Program funding.

<sup>&</sup>lt;sup>6</sup> Drug Free Communities Program funding was provided to SAMHSA/Center of Substance Abuse Prevention (CSAP) via Interagency Agreements.

- 1) **Drug Methodology** Actual obligations of prior-year drug control budgetary resources are derived from the SAMHSA Unified Financial Management System (UFMS), Program Support Center (PSC) Status of Funds by Allotment and Allowance Report.
  - **a. Obligations by Budget Decision Unit** SAMHSA's budget decision units have been defined by ONDCP Circular, *Budget Formulation*, dated October 22nd, 2019. These units are:
    - Programs of Regional and National Significance (PRNS)-Prevention (CSAP);
    - Programs of Regional and National Significance (PRNS)-Treatment (CSAT);
    - Substance Abuse Prevention and Treatment Block Grant-CSAT/CSAP; and
    - Health Surveillance and Program Support <sup>1</sup> SAMHSA.

In addition to the above, the Drug Free Communities Program funds provided by ONDCP through Interagency Agreements with SAMHSA are included as a separate line item on the Table of Prior-Year Drug Control Obligations.

Included in this Drug Control Accounting report for FY 2019 are 100 percent of the actual obligations for these five budget decision units, minus reimbursements. Obligations against funds provided to SAMHSA from the PHS evaluation fund are included.

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

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

- CSAP's PRNS direct funds, excluding reimbursable authority obligations;
- 20 percent of the actual obligations of the SABG funds, including obligations related to receipt of PHS evaluation funds;
- Of the portion from SAMHSA HSPS funds, including obligations related to receipt of PHS evaluation funds and Prevention and 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;

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

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

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

- CSAT's PRNS direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS Evaluation funds;
- 80 percent of the actual obligations of the SABG funds, including obligations related to receipt of PHS Evaluation funds; and,
- Of the portion from SAMHSA HSPS funds, including obligations related to receipt of PHS evaluation funds and PPHF, the assumptions are as follows:
  - o PAS funds were split 50/50 between SA and MH and 80 percent of the SA portion is considered Treatment;
  - o PQIS funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 80 percent of the SA portion is considered Treatment;
  - Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 80 percent of the SA portion is considered Treatment;
  - Health Surveillance funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 80 percent of the SA portion is considered Treatment; and
  - o Behavioral Health Workforce Data and Development split 50/50 between SA and MH and 80 percent of the SA portion is considered Treatment.
- 2) Methodology Modifications None.
- **Reprogrammings or Transfers** SAMHSA had no reportable reprogramming in FY 2019.
- 4) **Other Disclosures** None.





To: Associate Director for Performance and Budget,

Office of National Drug Control Policy (ONDCP)

Through: Deputy Assistant Secretary for Finance

Department of Health and Human Services

From: Chief Financial Officer

Substance Abuse and Mental Health Services Administration

Subject: Assertions Concerning Performance Summary Report

Information regarding SAMHSA's drug control performance efforts is based on data collected as part of agency GPRMA reporting requirements and other information that measures the agency's contribution to the Strategy. When possible, analyses integrate performance data with evaluation findings and other evidence. The tables in the summary reports include performance measures from the latest year for which data are available.

In collaboration with state agencies, SAMHSA defined a core set of standardized National Outcome Measures (NOMs) that are monitored across SAMHSA programs. NOMs have been identified for both treatment and prevention programs. NOMs share common methodologies for data collection and analysis.

In order to effectively manage SAMHSA's grant portfolio and provide timely, accurate information to stakeholders and to Congress, SAMHSA utilizes a unified data collection reporting system, SAMHSA's Performance Accountability and Reporting System (SPARS). SPARS provides unified data entry, data validation and verification, data management, data utilization, data analysis support, and automated reporting for discretionary grants.

In accordance with the requirements of the Office of National Drug Control Policy Circular *National Drug Control Program Agency Compliance Reviews*, dated October 22<sup>nd</sup>, 2019, and consistent with the assertions made by Center for Substance Abuse Treatment (CSAT) and Center for Substance Abuse Prevention (CSAP) to the Office of Financial Resources (OFR), I make the following assertions regarding the attached Performance Summary Report for National Drug Control Activities:

#### **Performance Reporting Systems**

I assert that SAMHSA has systems to capture performance information accurately and that these systems were properly applied to generate the performance data presented in Exhibit A.

#### **Explanations for Not Meeting Performance Targets**

I assert that the explanations offered in the attached report for failing to meet a performance targets are reasonable and that any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets are reasonable.

#### **Methodology to Establish Performance Targets**

I assert that the methodology used to establish performance targets presented in the attached report is reasonable given past performance and available resources.

#### Performance Measures Exist for All Significant Drug Control Activities

I assert that adequate performance measures exist for all significant drug control activities.

Deepa Avula Chief Financial Officer

#### Attachment:

Exhibit A- FY 2019 Performance Summary Report for National Drug Control Activities

#### Exhibit A

### FY 2019 Performance Summary Report For National Drug Control Activities

#### Decision Unit 1: Substance Abuse Prevention and Treatment Block Grant (SAPTBG)

Measure 1: Percentage of clients reporting no drug use in the past month at discharge

**Table 1:** Measure 1

| FY     |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 2013   | 2013   | 2014   | 2014   | 2015   | 2015   | 2016   | 2016   | 2017   | 2017   | 2018   | 2018   | 2019   | 2019   |
| Target | Actual |
| 74.0%  | 74.8%1 | 74.0%  | 72.9%  | 74.0%  | 71.6%  | 74.0%  | 69.6%  | 74.0%  | 69.3%  | 69.3%  | 57.0%  | 57.0%  | 55.7%  |

- (1) Measure 1 is the percent of clients in public substance abuse treatment programs who report no illegal drug use in the past month at discharge. The measure links directly to a key goal of the SAPTBG Program, which is to assist clients in achieving abstinence through effective substance abuse treatment. This measure reflects the program's emphasis on reducing demand for illicit drugs by targeting chronic users. Project Officers monitor targets and data on a regular basis, which serve as a focus of discussion with the states, and aids in the management of the program.
- (2) The targets for FY 2016 through FY 2019 were not met. The results are being monitored closely to provide necessary technical assistance to states and jurisdictions as the impact of national policy changes is better understood. In particular, behavioral health worker shortages and shorter lengths of stay by clients in substance abuse treatment programs may be contributing factors to the decreasing proportion of clients reporting no drug use in the past month at discharge. The findings will increase our awareness of the opioid epidemic and the corresponding lagging response in the use of medicated assisted treatment (MAT) in response to the rising opioid use disorder (OUD) epidemic.
- (3) SAMHSA uses results from previous years as one factor in setting future targets. Changing economic conditions, the implementation of the Affordable Care Act, as well as Medicaid expansion may impact substance abuse treatment programs throughout the country. Fluctuations in outcomes and outputs are expected and SAMHSA continues to work with states to monitor progress and adapt to the needs of targeted groups. Technical assistance is provided as needed.
- (4) The data source for this measure is the **Treatment Episode Data Set (TEDS)** as collected by the Center for Behavioral Health Statistics and Quality. States are responsible for ensuring that each record contains the required key fields, that all fields contain valid codes, and that no duplicate records are submitted. States cross-check data for consistency across data fields. The internal control program includes a rigorous quality control examination of the data as received from states. Data are examined to detect values that fall out of the expected range, based on the state's historical trends. If outlier values are detected, the state is contacted and asked to validate the value or correct the error. Detailed instructions governing data collection, review, and cleaning are available at: <a href="http://www.dasis.samhsa.gov/dasis2/manuals/teds\_adm\_manual.pdf">http://www.dasis.samhsa.gov/dasis2/manuals/teds\_adm\_manual.pdf</a>

 $<sup>^{\</sup>mathrm{1}}$  Revised slightly from what was previously reported as data was cleaned and updated.

#### **Decision Unit 2:** Substance Abuse Prevention and Treatment Block Grant (SAPTBG)

Measure 2: <u>Percent of states showing an increase in state-level estimates of survey respondents</u> who rate the risk of substance abuse as moderate or great (age 12-17)

**Table 2:** Measure 2

| FY     |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 2013   | 2013   | 2014   | 2014   | 2015   | 2015   | 2016   | 2016   | 2017   | 2017   | 2018   | 2018   |
| Target | Actual |
| 47.1%  | 19.6%  | 47.1%  | 35.3%  | N/A*   | N/A*   | N/A*   | N/A*   | 35.0%  | 37.3%  | 37.3%  |        |

<sup>\*2015</sup> and 2016 data not available due to break in trend with NSDUH data.

(1) Measure 2, for Decision Unit 2 reflects the primary goal of the 20% Prevention Set-Aside of the SAPTBG grant program and supports the first goal of the National Drug Control Strategy: reducing the prevalence of drug use among 12-17 year olds. This measure represents the percentage of states that report improved rates for perceived risk, aggregated for alcohol, cigarettes, and marijuana. The measure of "perceived risk of harm from substance use" has been used to inform prevention policy and programming since the 1960s,² as it remains a significant predictor of substance use behaviors³. For example, "Monitoring the Future," tracks the trends in perceived risk with substance use since the 1970s⁴. This depicts a consistent pattern of a leading indicator. In addition, a longitudinal study conducted in Iceland found that levels of perceived risk of harm measured at age 14 significantly predicted substance use behaviors at ages 15, 17, and 22⁵. In brief, tracking and monitoring levels of "perceived risk of harm" remains important for informing prevention policy and programming as it can assist with understanding and predicting changes in the prevalence of substance use behaviors nationwide.

<sup>&</sup>lt;sup>2</sup>Morgan, M., Hibell, B., Andersson, B., Bjarnasson, T., Kokkevi, A., & Narusk, A. (1999). The ESPAD Study: Implications for prevention. Drugs: Education and Policy, 6, No. 2.

<sup>&</sup>lt;sup>3</sup>Elekes, Z., Miller, P., Chomynova, P. & Beck, F. (2009). Changes in perceived risk of different substance use by ranking order of drug attitudes in different ESPAD-countries. Journal of Substance Use. 14:197-210.

<sup>&</sup>lt;sup>4</sup> Johnson, L.D., O'Malley, P.M., Bachman, J.G. and Schulenberg, J.E. (2009) Monitoring the Future national results of adultescent drug use: Overview of key findings 2008 (NIH Publication No. 09-7401), Bethesda MD: National Institute on Drug Abuse; p.12.

<sup>&</sup>lt;sup>5</sup>Adalbjarnardottir, S., Dofradottir, A. G., Thorolfsson, T. R., Gardarsdottir, K. L. (2003). Substance use and attitudes: A Longitudinal Study of Young People in Reykjavik from Age 14 to Age 22. Reykjav'ık: F'elagsv'ısindastofnun H'ask'ola 'Islands.

- (2) In FY 2014, 35.3% of states reported increased rates of moderate or great perceived risk of two or more substances. Although the actual did not meet the target in FY 2014, the perceived risk (actual) is higher than FY2012 or FY2013. Given that a break in trend occurred in the 2015 NSUDH data and estimates are generated from over a two year period, CBHSQ has not been able to report data in recent years. Although data for FY 2018 suggests that targets for this measure are still not being met, the gap between target and actual has narrowed with approximately one third of states reporting survey respondents who rate the risk of substance abuse as moderate or great.
- (3) The general trend of lower numbers associated with perceived risk (not meeting targets) may be associated with recent contextual factors, such as marijuana legalization and decriminalization. Future targets take into account this change in environment which may be associated with lower rates of perceived risk.

The data trends for this measure are best understood by examining the measure definition. This measure is not the same as the average rate in those states. Rather, it is the *percentage of states* that improved from the previous year (using the composite perceived risk rate). A state is categorized as improved if it increases its rate of perceived risk on at least two of the three substances targeted (alcohol, cigarettes, & marijuana). If a state's rate of moderate or great perceived risk increased for only one of the substances, it is *not* counted as improved. For example, if a state's rate of perceived risk improved for cigarettes and alcohol, it would be counted as improved. Alternatively, if only one or none of the perceived risk rates increased, the state would not be counted as improved, even if all the rates were stable.

Another consideration is that state estimates are based on two years of pooled data. There is a one year overlap which decreases the ability to reflect annual change. Data for a particular fiscal year are reported in the following year. State estimates based on the National Survey on Drug Use and Health (NSDUH) results are reported annually during December.

- (4) Program changes during FY 2011 and FY 2012 resulted in a need to monitor the data so that future targets would align with expectations. This measure was initially dropped and then added back due to its important relationship to subsequent substance use. During this lapse, no targets were calculated for future years. Rather than reduce targets to align with the lowest (possibly aberrant) performance report, SAMHSA's Center for Substance Abuse Prevention closely monitored the data during FY 2011 FY 2015. We anticipate future targets will be met as they better align with the changing environment due to marijuana laws. Right now, it is too early to know how the changing marijuana laws will impact future targets, so no changes are being proposed.
- (5) Data for levels of perceived risk of harm from substance use are obtained annually from the National Survey on Drug Use and Health (NSDUH). The NSDUH survey is sponsored by SAMHSA and serves as the primary source of information on the prevalence and incidence of illicit drug, alcohol, and tobacco use among individuals age 12 or older in the United States . For purposes of measuring SAPTBG performance, a state has improved if levels of perceived risk of harm increase for at least two of the following substances: binge drinking, regular cigarette use, and/or regular marijuana use. Annual performance results are derived by using the following formula:

 $\frac{Number\ of\ SAPTBG\ grantees\ improved}{Total\ Number\ of\ SAPTBG\ grantees} = Performance\ Result$ 

<sup>&</sup>lt;sup>6</sup> Information on the data collection and validation methods for the NSDUH can be found at <a href="http://www.samhsa.gov/data/sites/default/files/NSDUH-RedesignChanges-2015.pdf">http://www.samhsa.gov/data/sites/default/files/NSDUH-RedesignChanges-2015.pdf</a>

# **Decision Unit 3:** Center for Substance Abuse Treatment (CSAT) Programs of Regional and National Significance (PRNS)

Measure 3: <u>Percent of adults receiving services who had no involvement with the</u> criminal justice system (no past month arrests)

**Table 3:** Measure 3

FY 2014 Target	FY 2014 Actual	FY 2015 Target	FY 2015 Actual			FY 2017 Target		FY 2018 Target	FY 2018 Actual
93.0%	96.5%	93.0%	96.7%	93.0%	97.9%	97.5%	97.6%	97.5%	98.0 %

- (1) Measure 3 is the percent of clients served by the capacity portion of the PRNS portfolio who report no past month arrests. The programs are designed to help clients receive a comprehensive array of services which promote improved quality of life. This measure reflects success in increasing productivity and remaining free from criminal involvement.
  - This measure relates directly to and supports the national drug control strategy. The results are monitored routinely throughout the period of performance.
- (2) The targets for FY 2017 and FY 2018 were exceeded, with data indicating that 97.6% and 98.0% respectively, of adults receiving services had no involvement with the criminal justice system.
- (3) In FY 2017 and FY 2018 targets were increased to 97.5% from 93.0%. The target adjustments reflects previous performance and anticipated funding levels. As this decision unit incorporates several different program activities, and because the mix of programs and grantees varies from year to year, adjustments are made accordingly and designed to promote performance improvement over time. Programs included in this measure are HIV/AIDS Outreach, Pregnant Postpartum Women, Recovery Community Services Program, State Adolescent Treatment Enhancement and Dissemination (SAT-ED), Targeted Capacity Expansion (TCE), TCE/HIV, Targeted Capacity Expansion- Technology Assisted Care, and Crisis Support programs. An examination of most recent FY 2018 data suggests that not only have targets been exceeded but that 2018 recorded the highest percentage of clients who reported no past month arrests.
- (4) CSAT is able to ensure the accuracy and completeness of this measure as all data are submitted via the **SAMHSA Performance Accountability and Reporting System (SPARS)**, a web-based data entry and reporting system. The system has automated built-in checks designed to assure data quality. The SPARS online data entry system uses pre- programmed validation checks to make sure that data skip patterns on the paper collection tool are followed. These validation checks ensure that data reported through the online reports are reliable, clean, and free from errors. These processes reduce burden for data processing tasks associated with analytic datasets since the data being entered have already followed pre-defined validation checks.

Revised from what was previously reported as all follow-up data was received and verified.

<sup>&</sup>lt;sup>8</sup> PRNS capacity programs: HIV/AIDS Outreach, Pregnant Postpartum Women, Recovery Community Services Program - Services, Recovery-Oriented Systems of Care, SAT-ED, TCE/HIV, Targeted Capacity Expansion, Targeted Capacity Expansion-Health Info Tech, Targeted Capacity Expansion, Peer to Peer, Targeted Capacity Expansion-Technology Assisted Care, Crisis Support

## **Decision Unit4:** Center for Substance Abuse Prevention (CSAP) Programs of Regional and National Significations (PRNS)

Measure 4: <u>Percent of program participants that rate the risk of harm from substance abuse as great (all ages)</u>

Table 4: Measure 4

	Y 13	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target		FY 2016 Target	FY 2016 Actual	FY 2017 Target	FY 2017 Actual	FY 2018 Target	FY 2018 Actual	FY 2019 Target	FY 2019 Actual
88	8%	88.1%	88%	87.3%	88%	90.6%	88%	89.4%	88%	84.7%	84.7%	76.7%	76.7%	68.7%

The MAI (Minority AIDS Initiative) participant level data reported here was collected in the PEP-C (Program Evaluation for Prevention Contract) System through FY 2017; starting in FY 2018 it was collected in SPARS.

(1) Measure 4 for Decision Unit 3 reflects the goals of CSAP's PRNS, as well as the National Drug Strategy. CSAP PRNS constitutes a number of discretionary grant programs, such as the Strategic Prevention Framework State Incentive Grants (SPF SIG), the Minority AIDS Initiative (MAI), the Sober Truth on Preventing Underage Drinking Act (STOP Act) grants program, and others. For this decision unit, performance on levels of perceived risk was selected to represent CSAP PRNS. The measure of "perceived risk of harm from substance use" has been used to inform prevention policy and programming since the 1960s<sup>9</sup> as it remains a significant predictor of substance use behaviors 10. For example, "Monitoring the Future," tracks the trends in perceived risk with substance use since the 1970s<sup>10</sup>. This depicts a consistent pattern of a leading indicator. In addition, a longitudinal study conducted in Iceland found that levels of perceived risk of harm measured at age 14 significantly predicted substance use behaviors at ages 15, 17, and 22<sup>11</sup>. Because it can assist in understanding and predicting changes in the prevalence of substance use behaviors nationwide, tracking and monitoring levels of "perceived risk of harm" remains important. It informs prevention policy and programming. Measure 4 has been revised to be consistent with the program's current performance measurement efforts. It combines all ages and reports only those respondents perceiving great risk of harm.

 $<sup>^9</sup>$  Bjarnason, T. & Jonsson, S. (2005). Contrast Effects in Perceived Risk of Substance Use. Substance Use & Misuse, 40:1733–1748.

<sup>&</sup>lt;sup>10</sup> Johnson, L.D., O'Malley, P.M., Bachman, J.G. and Schulenberg, J.E. (2009) Monitoring the Future national results of adolescent drug use: Overview of key findings 2008 (NIH Publication No. 09-7401), Bethesda MD: National Institute on Drug Abuse; p.12.

<sup>&</sup>lt;sup>11</sup> Adalbjarnardottir, S., Dofradottir, A. G., Thorolfsson, T. R., Gardarsdottir, K. L. (2003). Substance use and attitudes: A Longitudinal Study of Young People in Reykjavík from Age 14 to Age 22. Reykjavík: F´elagsv´ısindastofnun H´ask´ola ´Island

In FY 2017, 84.7% of program participants rated the risk of substance abuse as great. This is slightly lower than the FY 2016 result of 89.4%. One possible explanation for the slight reduction in FY 2017 is the changing laws around marijuana use, which may be decreasing perceived risk.

Previously, SAMHSA reported the percent of program participants (age 18 and up) who rate the risk of substance abuse as moderate or great, which measures increased levels of perceived moderate or great risk of harm from substance use. The percentage of MAI program participants perceiving moderate or great risk of harm from cigarette, alcohol, and marijuana use increased (among those with matched baseline and exit data) by almost ten percentage points between FY 2010 and FY 2013. Because this finding remained so high over three years, SAMHSA changed the measure and now reports only perceived great risk

- (2) At the request of the Office of Management and Budget (OMB) and the Department of Health and Human Service's Office of the Assistant Secretary for Financial Resources, SAMHSA underwent a performance measure reduction effort designed to decrease the total number of performance measures. As a result, the measure previously used for Decision Unit 3, Measure 4 was removed from SAMHSA's current budget measure portfolio.
- (3) The performance targets for FY 2016 and FY 2017 were set at 88% for each year. Performance targets were set using analysis of the results from previous years combined with expected resources.
- (4) Data for MAI are collected by the grantees through OMB approved survey instruments. Measures used include items from other validated instruments, such as Monitoring the Future and NSDUH. Data reported through 2017 was collected and entered by grantees, and processed, cleaned, analyzed and reported under the Program Evaluation for Prevention Contract (PEP-C). Data are checked for completeness and accuracy using a set of uniform cleaning rules. Information about any data problems or questions is transmitted to the Contracting Officer's Representative, who works with the program Government Project Officers and grantees on a resolution. Grantees also receive instructions on the data collection protocols at grantee meetings and through survey administration guides. Other performance results reflect the proportion of matched baseline-exit surveys that show an increase in levels of perceived risk-of-harm for those engaging in at least one of the following behaviors: binge drinking, regular cigarette use and regular marijuana use. Starting in FY 2018, existing PEP-C data was transferred to SPARS. Going forward, this data will be collected and stored within SPARS. The new instruments captures cigarette use under a broader measure of tobacco use. Therefore, data reported in 2018 and 2019 reflects those who report perceiving a great risk-of-harm in engaging in at least one of the following behaviors: binge drinking, regular tobacco use, or regular marijuana use.
- (5) The FY2018 and FY2019 numbers are lower than previous years. As mentioned above, the survey instruments were updated including a change from a measure of cigarettes to a more general question about tobacco use. In recent years, there have also been tremendous changes in the status of marijuana with states making this substance legal potentially impacting the level of risk associated with its use.

### Tab F



March 23, 2020

James W. Carroll, Jr.
Director
Office of National Drug Control Policy
750 17<sup>th</sup> Street, NW
Washington, DC 20503

Dear Mr. Carroll:

U.S. Customs and Border Protection (CBP) is required by the Office of National Drug Control Policy (ONDCP) Circular 'National Drug Control Program Agency Compliance Reviews,' dated October 22, 2019, to present information and assertions concerning the budget formulation and accounting of funds expended on ONDCP activities and performance associated with these activities.

Titles 8 U.S.C. and 19 U.S.C. authorize CBP to regulate the movement of carriers, persons, and commodities between the United States and other nations. It is through this statutory authority that CBP plays a key role in the overall anti-drug effort at the border. CBP's jurisdiction is triggered by the illegal movement of criminal funds, services, or merchandise across our national borders and is applied pursuant to the authority of the Bank Secrecy Act (P.L. 99-570), "USA PATRIOT Act" (P.L. 107-56), Money Laundering Control Act (P.L. 99-570), and other laws.

CBP is a multi-mission agency and calculates obligations by budget decision unit and function, pursuant to an approved drug methodology. On the basis of past practice, five organizations within CBP [Office of Field Operations (OFO), U.S. Border Patrol (USBP), Office of Training and Development (OTD), Office of Information and Technology (OIT), and Air and Marine Operations (AMO)] were provided with guidance on preparing estimates for the reporting of drug control funds.

The purpose of this report is to present CBP assertions concerning drug resource budgeting, accounting, and related performance information and my qualified authentication of these assertions. CBP does not have an Inspector General (IG) component or function to review and express a conclusion on the reliability of the accounting and performance assertions made in this report. Therefore, CBP 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 CBP are accurate and complete.

Sincerely,

Jose M. Fabre

**Executive Director** 

Jose M. Fabre

Office of Finance, Budget Directorate

# U.S. DEPARTMENT OF HOMELAND SECURITY U.S. CUSTOMS AND BORDER PROTECTION Detailed Accounting Submission of Fiscal Year 2019 Drug Control Funds

#### DETAILED ACCOUNTING SUBMISSION

#### A. Table of Fiscal Year (FY) 2019 Drug Control Obligations

Drug Resources by Budget Decision Unit	FY 2019 Final (\$ In Millions)
Operations and Support (O&S)	\$2,851.599
Procurement, Construction, and Improvements (PC&I)	\$380.624
Total Resources by Drug Control Unit	\$3,232.223
Drug Resources by Drug Control Function	
Intelligence	
United States Border Patrol	\$20.283
Office of Field Operations	\$275.440
Office of Information and Technology	\$9.063
Office of Training and Development	\$1.122
Air and Marine Operations	\$154.529
Intelligence - Total	\$460.274
Interdiction	
United States Border Patrol	\$815.788
Office of Field Operations	\$1,177.486
Office of Information and Technology	\$5.873
Office of Training and Development	\$35.009
Air and Marine Operations	\$737.793
Interdiction - Total	\$2,771.949
Total Resources by Drug Control Function	\$3,232.223
Total Obligations	\$3,232.223
High Intensity Drug Trafficking Area (HIDTA)	\$0.054

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

#### 1. Drug Methodology

U.S. Customs and Border Protection (CBP) is a multi-mission agency that calculates obligations by budget decision unit and drug control function, pursuant to an approved drug control funds calculation methodology. There are six program offices within CBP that are tasked with drug-control responsibilities: the United States Border Patrol (USBP), the Offices of Field Operations (OFO), Information and Technology (OIT), Training and Development (OTD), Acquisition (OA), and Air and Marine (AMO). In conformity with the requirements of ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, each program office has developed a drug methodology to estimate the percentage of its obligations related to drug enforcement. USBP, OFO, OIT,

and AMO attribute their resources to both intelligence and interdiction functions while OTD and OA attribute their resources solely to interdiction.

The Drug Control Obligations table is based on actual obligations for each decision unit and program office named above for FY 2019. 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 19,555 Border Patrol agents, as of September 30, 2018, 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 check-points with narcotic-intensive activities. USBP resources come from (1) the Border Security Operations program, project, and activity (PPA) within CBP's Operations and Support (O&S) appropriation, and Border Security Assets and Infrastructure PPA within CBP's Procurement, Construction, and Improvements (PC&I) appropriation.

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

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

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 2019 BSFIT carryover funds were captured using the standard calculation of 15 percent of BSFIT obligations.

#### 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 2019. 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 24,269 CBPOs in FY 2019, 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 thoroughly and quickly inspect sea containers, 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 in an effort 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 506 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.

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 17.78% for interdiction and 0.57% for intelligence for FY 2019. These percentages vary during the year of execution depending upon actual course delivery obligation rates.

#### **AIR & MARINE OPERATIONS**

AMO's core competencies are air and marine interdiction, air and marine law enforcement, and air domain security. 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 2019, AMO P-3 aircraft flew 5,946 hours in drug control efforts, which represent 82 percent of all AMO P-3 hours. These hours were in support of Joint Interagency Task Force-South (JIATF-S) in the Source and Transit zones. AMO P-3's participated in the interdiction of 239,381 pounds of cocaine in the Source and Transit zones. This equates to 41.3 pounds of cocaine for

every counternarcotic hour flown. CBP continues to deploy surveillance technology tailored to the operational requirements along the highest trafficked areas of the southwest border.

Since September 11, 2001, AMO has steadily increased its support to counter-terrorism by developing a more cohesive and integrated response to national security needs, as well as placing more emphasis on illegal immigration. AMO is dedicating significant assets and personnel in support of U.S./Mexico interdiction initiatives, and in support of USBP in targeted southwest border areas that are frequent entry points for the smuggling of drugs and people into the United States.

Using flight hours spent performing drug-related activities, AMO has determined that 80 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 2019.

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

Also managed under AMO, the Tethered Aerostat Radar System (TARS) program is a national surveillance asset operating along the Southwest Border and other key locations for nearly 25 years. TARS provides detection and monitoring of suspicious (smuggling) traffic over air, maritime, and land corridors. CBP took ownership of the TARS program in FY 2014 as part of a transfer from the DoD. TARS consists of fixed site, aerostat-based radar systems that provide air surveillance across the entire U.S.-Mexico border (approximately 2,000 nautical miles). The systems are designed to detect compliant low-altitude aircraft and non-compliant low-altitude aircraft attempting to smuggle narcotics or other contraband into the United States.

#### 2. Methodology Modifications

The drug control methodology for obligations used in FY 2019 remained the same as the methodology used in FY 2018 for the reported program offices.

#### 3. Material Weaknesses or Other Findings

CBP contributed to the Departmental material weaknesses in Information Technology Controls and Financial System Functionality and Financial Reporting. However, CBP's control deficiencies did not impair CBP's ability to report complete and accurate obligation data in the Table of FY 2019 Drug Control Obligations. While control deficiencies surrounding CBP's accounting system, SAP, was attributed to access controls, CBP had sufficient compensating controls to ensure accounting records were accurate.

CBP also contributed to the Department's significant deficiencies in Property, Plant and Equipment and Custodial Activities - Entry Processing, Refunds and Drawbacks, and Seized and Forfeited Property. The deficiencies are not relevant with respect to information contained in this report, as there is not information presented that is reliant upon Property, Plant, and Equipment and Custodial Activities.

#### 4. Reprogrammings or Transfers

During FY 2019, CBP had reprogrammings and transfers. In FY 2019, CBP determined one reprogramming request and one transfer materially impacted CBP's drug-related obligations reported in the Table of FY 2019 Drug Control Obligations. The reprogramming in the amount of \$23.67M, entitled, "To fund U.S. Border Patrol Agent Retention Bonuses," moved funding from the FY 2019/2020 Operations & Support Appropriation, Border Security Operations Assets & Support PPA; the FY 2018/2019 Operations & Support Appropriation, Border Security Operations, US Border Patrol Operations PPA; and the Procurement, Construction, and Improvements Appropriation, Border Security Assets and Infrastructure PPA to the FY 2019 Operations & Support, Border Security Operations US Border Patrol Operations PPA, to fund U.S. Border Patrol Agent Retention Bonuses. The transfer, in the amount of \$20.052M, transferred prior year Operations, US Border Patrol Operations to fund U.S. Border Patrol Agent Retention Border Security Operations, US Border Patrol Operations to fund U.S. Border Patrol Agent Retention Bonuses. There was no mission or policy impact as a result of this reprogramming.

#### 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: *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018.

#### B. Assertions

#### 1. Obligations by Budget Decision Unit

Not Applicable - As a multi-mission agency, CBP is exempt from reporting under this section as noted in the ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary*, Section 6(b)(1), dated May 8,2018.

#### 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 is capable of providing 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 considered to 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 2019 Drug Control Obligations

#### 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 in excess of \$1 million in FY 2019.

#### **5. Fund Control Notices**

The Director of National Drug Control Policy did not issue a Fund Control Notice for CBP for FY 2019.

# U.S. DEPARTMENT OF HOMELAND SECURITY Federal Law Enforcement Training Centers (FLETC)

2019

#### **Prior Year Drug Control Obligations**

	Obligations (in Millions	
	FY 2019	
Drug Resources by Function		
Investigations	\$46.407	
State & Local Assistance	\$1.237	
International	\$0.536	
Total Drug Resources by Function	\$48.180	
David Barauman by Boolelon Unit		
Drug Resources by Decision Unit Salaries & Expenses	\$48.180	
Total Drug Resources by Decision Unit	\$48.180	
Drug Resources Personnel Summary		
Total FTEs (direct only)	216	
Drug Resources as a Percent of Budget		
Total Agency Budget (in billions)	\$ 0.278	
Drug Resources Percentage	17.3%	

The FLETC has less than \$50 million in drug-related obligations per year. As such, full compliance with the ONDCP Circular: Drug Control Accounting, would constitute an unreasonable reporting burden.

Donald R. Lewis

Chief Financial Officer

The Drug Resources as a Percent of Budget is computed as follows:

Obligations \$48.180

FY 2019

Budget Authority \$277.876

17.3%

#### FY 2019

# U.S. DEPARTMENT OF HOMELAND SECURITY Federal Law Enforcement Training Centers (FLETC)

#### ONDCP PERFORMANCE SUMMARY REPORT FY 2019

#### Introduction

The Federal Law Enforcement Training Centers (FLETC) is an interagency law enforcement training facility that serves a leadership role as the Federal Government's principal provider of world-class, interagency law enforcement training to more than 95 Federal Participating Organizations, as well as training and technical assistance to state, local, tribal and international law enforcement entities. The FLETC provides premium training programs in support of drug enforcement activities, primarily in advanced programs that teach and reinforce law enforcement skills of investigation.

#### **Performance Measures**

The Office of National Drug Control Policy (ONDCP) Director's August 25, 2011 memo to the Secretary of the Department of Homeland Security requested FLETC develop a specific counterdrug performance measure to support the President's National Drug Control Strategy. In response, the following statement, "FLETC's counterdrug-related basic skills training (i.e., courses titled Controlled Substance Identification, Drug Recognition, Recognition of Clandestine Labs, Marijuana Cultivation Investigations, Sequential Testing, and Drugs of Abuse which are covered in FLETC's Center Basic training programs) meets my agency's identified training needs." was added to the Participating Organization Satisfaction Survey beginning in FY 2012 and updated in FY 2019. The data collected for this statement will be used to support the President's National Drug Control Strategy by assessing Participating Organization satisfaction with counterdrug-related basic skills training the FLETC provides to their law enforcement officers and agents. FLETC Participating Organizations are Federal agencies involved in the enforcement of Federal law and have signed a Memorandum of Understanding (MOU) with the FLETC to participate in consolidated training and be given priority scheduling.

Performance Measure		FY 2019
Outcome: Percent of Participating Organizations that agree the Federal	Target	90%
Law Enforcement Training Centers counterdrug-related training meets identified training needs	Actual	94%

Prior to establishing a specific counterdrug performance measure, the FLETC utilized the performance measure below, which reflects the satisfaction of Participating Organizations with the training the FLETC provides to their officers/agents in order to effectively perform their law enforcement duties such as the prevention of the introduction of high-consequence weapons of mass destruction, terrorism, and other criminal activity against the U.S. and our citizens. The results of the measure provide on-going opportunities for improvements that are incorporated into the FLETC's training curricula, processes and procedures.

Performance Measure		FY 2019
Outcome: Percent of Participating Organizations satisfied with the training	Target	90%
provided by the Federal Law Enforcement Training Centers	Actual	100%

#### 1. Performance reporting systems are appropriate and applied

The FLETC POs are surveyed using the PO Satisfaction Survey. The survey was developed using contemporary survey methods comparable to those used by the military services and other major training organizations. Data is collected from mid-May through June. The measure uses an average of survey Statements 1 and 2. Statement 1 begins "The FLETC's basic" and Statement 2 begins "FLETC's advanced." Each statement ends with "training programs and courses of instruction address the right skills needed for my officers/agents to perform their law enforcement duties." The survey uses a modified six-point Likert scale. Program personnel import the survey data as saved by survey respondents from Vovici into the Statistical Package for the Social Sciences to generate descriptive statistics and then into Excel to generate data charts and tables. The percent is calculated as the average of the number of POs that responded "Strongly Agree" or "Agree" to Statements 1 and 2 divided by the number of POs that responded to each of the respective statements. POs that responded "Not Applicable" to either Statement were excluded from the calculations. Following release of the survey summary report, FLETC leaders conduct verbal sessions with Participating Organization key representatives to confirm and discuss their responses. Throughout the year other formal and informal inputs are solicited from the Participating Organization representatives by FLETC staff and used to validate the survey results. No known integrity problems exist.

#### 2. Explanations for not meeting performance targets are reasonable

FLETC exceeded both performance targets.

#### 3. Methodology to establish performance targets is reasonable and applied

The FLETC's ONDCP performance measure was developed and submitted for approval during FY 2012. In order to establish a performance goal (against which to set a baseline), the FLETC examined its actual and targeted historical performance for previously established training related measures. Additionally, informal discussions were held with a sampling of Participating Organizations to gauge their satisfaction with FLETC's drug control related training to date. When considered as a whole, these factors indicated that 81% was a realistic target to establish the baseline. As this performance measure matures, the target goals are evaluated and adjusted as necessary.

4. Adequate performance measures exist for all significant drug control activities FLETC has one acceptable ONDCP specific performance measure.

# Program Summary MISSION

The Federal Law Enforcement Training Centers (FLETC) is an interagency law enforcement training institution that serves a leadership role as the Federal Government's principal provider of world-class, interagency law enforcement training to more than 95 Federal Participating Organizations, as well as training and technical assistance to state, local, tribal, territorial and international law enforcement entities. The FLETC provides premium training programs in support of drug enforcement activities, primarily in advanced programs that teach and reinforce law enforcement skills of investigation. FLETC supports the *National Drug Control Strategy* by providing drug investigations training for law enforcement agents and officers.

#### 7 (a) 2 & 7 (b) 2 & 3 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.

#### **BUDGET SUMMARY**

The FY2019 total drug resources were \$48.18 million, which is 17.3% of FLETC's total budget.

#### 7(b).3

FLETC asserts that the methodology described above is the methodology utilized to prepare the Prior Year Drug Control Obligations Table.

#### 7 (a). 3, 4, 5, 6 7(b). 4,5,6,7

FLETC has no methodology modifications, material weaknesses, reprogrammings or other disclosures.

**U.S. Department of Homeland Security** 500 12th Street, SW Washington, D.C. 20536



March 18, 2020

Mr. James W. Carroll, Jr.
Director
Office of National Drug Control Policy
750 17<sup>th</sup> Street, NW
Washington, DC 20503

Dear Mr. Carroll,

In accordance with the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, enclosed is Immigration and Customs Enforcement's report of FY 2019 drug obligations, drug control methodology and assertions; FY 2019 drug performance metrics and targets; and FY 2021 Summer Drug Budget as required in accordance with the above Circular.

Per the circular, the DHS OIG has elected not to conduct the FY 2019 Compliance Review. 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 Kimberly Fleming at (202) 732-4390.

Sincerely,



Kalinka Cihlar, Assistant Budget Director for Controls Office of Budget and Program Performance U.S. Immigration and Customs Enforcement

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

# U.S. Immigration and Customs Enforcement Detailed Accounting Submission of Drug Control Funding during 4th Quarter Fiscal Year 2019

#### A. <u>Table of FY 2019 Drug Control Obligations</u>

Drug Resources by Budget Decision Unit and Function:

	FY 2019 Final
	(In Millions)
rug Resource by Drug Control Function	
Domestic Investigations	\$516.095
International Operations	\$11.739
7.805	\$1\$10
Intelligence: Domestic	\$38.522
Intelligence: International	\$0.842
Total	\$567.19
8	φ307.19
rug Resources by Budget Decision Unit	
Salaries and Expenses – Immigration Enforcement	\$0
Total	
8	\$567.19
O	
igh Intensity Drug Trafficking Area (HIDTA) Transfer	\$3.408

HIDTA Funds represent total authorized and available during FY2019 (multi-year funds: FY18/19 and FY19/20)

#### 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 2019, the actual percentage for Domestic Investigations was 31.11 percent. To calculate a dollar amount of obligation, the percentage is applied to the FY 2019 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 showing investigative case hours coded as general narcotics cases or money-laundering narcotics cases. A second report is run showing 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 2019, the actual percentage of hours that were general-narcotics related was 10.36 percent. To calculate the dollar amount of obligations for the IO drug control function, the percentage is applied to the FY 2019 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 showing investigative case hours coded as general-narcotics cases or money-laundering narcotics cases. A second report is generated

showing 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 2019, 46.70 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 2019 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 (2.14 percent) and domestic activities (97.86 percent) for FY 2019. 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 2019 Department of Homeland Security (DHS or the Department) Financial Statement Audit, ICE contributed to material weaknesses for Information Technology (IT) Controls and System Functionality. 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, bond management and procurement. ICE has completed a full assessment of application controls for all CFO designated systems, continues to execute corrective actions for existing weaknesses, is remediating new weaknesses identified and conduct routine verification and validation to ensure improvements are being sustained.

While there were some Notices of Findings and Recommendations (NFR) related to the financial processes, including financial reporting areas such as untimely review of bond documentation, ineffective controls over the recording of obligations, untimely processing of contract (invoice) and Intra-Governmental Payment and Collection (IPAC) payments. 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 FY 2019 Drug Control Obligations.

#### 4: Reprogrammings or Transfers

During FY 2019, ICE had no reprogrammings and 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 2019, the Department determined there were no reprogrammings or transfers that materially impacted ICE's drug-related obligations reported in the Table of FY 2019 Drug Control Obligations.

#### 5: Other Disclosures

There are no other disclosures ICE feels are necessary to clarify any issues regarding the data reported.

#### B. <u>Assertions</u>

#### 1: Obligations by Budget Decision Unit

Not Applicable - As a multi-mission agency, ICE is exempt from reporting under this section as noted in the Office of National Drug Control Policy (ONDCP) Circular: *Agency Compliance Reviews*, dated October 22, 2019.

#### 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, 2018 and September 30, 2019. There are no other estimation methods used. The financial system used to calculate the drugrelated 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 2019 Drug Control Obligations.

#### 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 if any. Although the Department determined there was no material impact to drug-related obligations, the ONDCP approved all reprogrammings or transfers in excess of \$1 million in FY 2019.

#### 5: 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 2019.

# U.S. Department of Homeland Security U.S. Immigration and Customs Enforcement Performance Summary Report of Drug Control Funds during Fiscal Year (FY) 2019

**International Operations (IO)** 

Metric 1: Percentage of overseas investigative hours incurred on drug-related cases.

#### (1) Description

The performance metric for IO is the percentage of overseas investigative hours incurred on drug-related cases. This metric evaluates the percentage of Immigration and Customs Enforcement's (ICE) total overseas investigations that impact counter-narcotics enforcement.

ICE's Homeland Security Investigations (HSI) IO supports U.S. drug control policy, specifically Office of National Drug Control Policy (ONDCP) initiatives, such as 'Disrupt domestic drug trafficking and production' and 'Strengthen Law-Enforcement and International Partnerships to Reduce the Availability of Foreign-Produced Drugs in the United States', by supporting the overall ICE mandate to detect, disrupt, and dismantle smuggling organizations. The desired outcomes for the execution of DHS' action items are: disruption of domestic drug trafficking and production; and strengthening of international partnerships and reduction in the availability of foreign-produced drugs in the United States. Increased hours incurred on drug-related cases directly lead to increased detection, disruption and dismantlement of drug smuggling organizations. IO investigative resources are directed at organizations smuggling contraband (including narcotics) into the United States. The IO offices coordinate international investigation with foreign law enforcement counterparts and provide investigative support to HSI domestic offices in combatting transnational criminal operations and organizations. IO also partners with domestic ICE components and with U.S. law enforcement agencies overseas to leverage overseas resources, mitigating global narcotics threats to the United States. This includes utilizing investigative and intelligence techniques to support domestic cases and interagency cross-border initiatives.

This counter-narcotics performance metric is evaluated on a consistent basis for IO. In some cases, it is included in Senior Executive Service (SES) performance plans, and may be tracked at a high managerial level by way of processes such as HSI

Transparency/Results/Accountability/Knowledge-sharing (HSI TRAK), programmatic monitoring, financial monitoring, and quarterly expenditure reports.

#### (2) Prior Years' Performance Targets and Results

Fiscal Year	Target	Year End
		Actual

2015	7.58%	7.56%
2016	8.00%	7.50%
2017	8.00%	7.40%
2018	7.40%	9.84%
2019	7.80%	10.36%

In FY 2019, the IO actual percentage was 10.36 percent, therefore meeting the FY 2019 target of 7.80 percent. To calculate the dollar amount of obligations for the IO drug control function, the percentage is applied to actual obligations incurred by HSI against budget authority gain in FY 2019, excluding reimbursable authority.

#### (3) Performance Target for FY 2019

The performance target for FY 2019 is 7.80 percent, a target based on the average three prior years' performance targets per prior year's methodology. HSI notes the drug enforcement environment can change significantly in a short period of time due to changes in drug enforcement strategy, including legislation. Thus, incorporating historical data beyond the prior three years would result in a less realistic performance target. In establishing this performance metric, IO plans to have sufficient resources to support the same level of effort on drug-related investigations.

#### (4) Quality of Performance Data

The database used to obtain HSI IO's performance data is the ICE Investigative Case Management System (ICM), which is ICE's automated case management system that records investigative hours. International Operations relies on ICM to ensure the performance data is accurate, complete, and unbiased in presentation and substance. ICE also conducts quality control verification on all data received through ICM to ensure performance data is accurate, complete, and unbiased in presentation and substance. HSI has transitioned into the new webbased system (ICM) from Legacy TECS, which has created interface migration issues. The first release took place in the summer of 2016, when nearly 11,000 HSI users were migrated over to ICM. As a result, some of the data used in this metric of the report has been impacted by an immaterial amount.

#### **Intelligence**

Metric 2: Number of counter-narcotics intelligence requests satisfied.

#### (1) Description

This performance metric is calculated by the sum of the amount of Intelligence Information Reports (IIR) and Analytical Framework for Intelligence (AFI) products.

An IIR is a formal standardized method of disseminating raw unevaluated information, on behalf of the Department of Homeland Security (DHS) Intelligence Enterprise (IE) and other information providers, to elements of the Intelligence Community (IC) and the DHS IE, as appropriate. This is the primary vehicle through which the Reports Section shares this raw intelligence within ICE and throughout the DHS and the IC.

The AFI allows HSI Office of Intelligence (HSI Intel) to maintain visibility on all Intelligence products used by the HSI field offices and at HQ. This system allows HSI-Intel to run searches on specific mission areas, which include counter-narcotics and drug smuggling Intel-related products.

HSI Intel supports its HSI Special Agents, Intelligence Analysts, Mission Support Specialists and all other personnel who support intelligence operations and the IC by providing AFI and IIR products and services that inform customers and close existing "intelligence gaps." Customer requirements are formally documented and captured within the Analytical Framework for Intelligence (AFI). Published Intelligence products, known as AFI products, are a detailed written analysis on an intelligence development that can be shared with the IC. Levied requirements are then determined either "satisfied" by Intelligence, or not. In the latter case, an intelligence gap remains. Satisfaction of customer requirements represents the "outcome" of Intelligence production in those satisfying customer requirements, closes the gap in customer information needs, and allows customers to make informed decisions about executing law enforcement actions.

This counter-narcotics performance metric is evaluated on a consistent basis for Intelligence, and is in some cases put into SES performance plans. It is also tracked at a high managerial level via processes, such as HSI TRAK, programmatic monitoring, financial monitoring, and quarterly expenditure reports.

#### (2) Actual Performance Results for FY 2019

Fiscal Year	Target	Year End Actual
2015	686	431
2016	431	275
2017	275	312
2018	312	283
2019	283	182

In FY 2019, HSI Intel produced a total of one hundred eighty-two drug-related products, therefore not meeting the FY 2019 target of 283. Of the one hundred eighty-two drug-related products, a total of one hundred fifty-six (156) were IIR products and twenty-six (26) were AFI products. Due to shifting priorities (National Security and Counterterrorism) and reduced

resources, drug-related products did not achieve the goals projected. Also due to shifting priorities (Fraudulent Family Units & Weapons Smuggling) and multiple criminal analysts details in support of these priorities; drug-related products did not achieve the goals projected.

#### (3) Performance Target for FY 2019

The performance target for FY 2019 is 283 counter-narcotics intelligence requests satisfied. The target is based on the prior year actual data. Actual production efforts, whether for finished intelligence or IIRs, are driven by resources and prioritization. Current departmental and ICE priorities are counterterrorism, counterintelligence, human smuggling and cybercrime. The production of drug-related intelligence has declined since FY 2014 in counter-narcotics and may continue to decline pending the department's priorities; however, ICE senior leadership has determined using the FY 2018 actual is reasonable, as it represents the current organizational priorities.

#### (4) Quality of Performance Data

Databases used to validate HSI Intel's performance data are the AFI and the HSI Intel's shared drive hosting the IIRs. AFI is a generation analytical system that is separately operated by customers. The capabilities of AFI are used to gather analysis that is critical to the IC through collaborative reporting. Intelligence conducts quality control verification on the AFI data and the shared drive hosting the IIRs to ensure the performance data is accurate and unbiased in presentation and substance. Furthermore, ICE HSI Intel is implementing metadata items within AFI that will group data distinctly into either HSI Domestic or HSI International, increasing the specificity of the data provided.

#### **Domestic Investigations**

## Metric 3: Percentage of significant high-risk transnational criminal investigations that result in a disruption or dismantlement

#### (1) Description

ICE coordinated with the ONDCP and established new performance metrics in FY 2012 to better indicate the success of counter-narcotics enforcement across all investigative areas. This metric supports the National Counter Narcotics Strategy objectives and initiatives to disrupt and dismantle transnational and domestic drug-trafficking and money-laundering organizations. The new performance metric is "the percentage of significant, high risk transnational criminal investigations that result in a disruption or dismantlement."

This metric is incumbent on all investigative case categories and is not restricted to HSI counternarcotic cases, contrasting from metric 4 (that is strictly involving ICM Categories directly related to drug activities/investigations). This measure is a precise result of all investigative

cases in the seven ICM Categories: 1) Illicit Trade, Travel and Finance (non-drug-related), 2) Illicit Trade, Travel, and Finance (drug related), 3) Counter-proliferation, 4) National Security, 5) Transnational Gangs, 6) Transnational Crimes Against Children, and 7) Worksite Enforcement. These measures articulate the impact of HSI investigations and their final outcomes by demonstrating the impediment of crimes directly. This allows HSI to identify, categorize, and report significant investigations that target the greatest threats faced in the nation, while demonstrating HSI's commitment to disrupt and dismantle criminal activity.

The Significant Case Review (SCR) process and their subsequent performance measures exhibit how HSI enhances national security and public safety by focusing on these high-risk priority investigations. In an effort to ensure long-standing viability, HSI special agents submit enforcement actions that meet the definition of either a disruption or dismantlement that involve criminal investigations of cases deemed significant or high-risk based on a pre-defined set of criteria reviewed by the SCR panel. The SCR panel reviews enforcement actions and examines each submission of the criminal investigative elements that are being presented to ensure the submission meets the requirement of a disruption or dismantlement. A disruption is defined as actions taken in furtherance of the investigation that impede the normal and effective operation of the target organization or targeted criminal activity. Dismantlement is defined as destroying the target organization's leadership, network, and financial base so the organization is incapable of reconstituting itself.

The performance measures for HSI for FY 2019 were calculated using actual historical significant investigation performance results since program inception (FY 2011) using the following methodology:

1) The final calculation is derived by: Number of Unique SCRs with Type 2 and/or Type 3 Reports during the Reporting Period divided by the (Number of Approved and Open Type 1 SCRs at the Beginning of the Reporting Period + Number of Type 1 Reports Opened and Approved During the Reporting Period)<sup>1</sup>

#### (2) Actual Performance Results for FY 2019<sup>2</sup>

Fiscal Year	Target	Year End
		Actual
2015	18.00%	15.83%
2016	16.00%	18.57%
2017	15.80%	22.91%
2018	15.90%	18.04%
2019	15.90%	15.15%

<sup>&</sup>lt;sup>1</sup> Type 1 (Significant) – Is the initial Significant Case Report (SCR)

Type 2 (Disruption) - SCR that indicates changes in organizational leadership or changes in methods of operation of the target organization. Type 3 (Dismantlement) – SCR which indicates that the target organization's leadership, network, and financial base are incapable of reconstituting itself.

<sup>&</sup>lt;sup>2</sup> HSI discovered a coding error at the beginning of FY 2015 within the information system that pulls data from TECs. This forced a revalidation of data and a rethinking of how the data is pulled and verified. HSI has since used a corrected data coding and validation for FY 2015. HSI reexamined previous year's data using the new coding and methodology and those actual results are: FY13 16.28%, FY14 47.16%. The prior year actual results in the table have not been modified, so as to remain comparable to previously issued reports.

In FY 2019, the actual percentage for the reportable Government Performance and Results Act (GPRA) metric is 15.15 percent; therefore, HSI did not meet the FY 2019 GPRA target of 15.90 percent. Target missed due to necessity for SAC Office's to realign resources to support unplanned initiatives, external support to outside agencies, and natural disasters This depleted available manpower resources to support investigations and indirectly contributed to a decline in disruptions/dismantlements. Additionally, there was a government shutdown during FY 2019 necessitating furlough of support employees which caused special agents to have to perform administrative duties, and delayed recruitment/training/reassignments to critical areas. Lastly, there was an overall increase of 22% in the number of approved significant investigations. However, there is always a temporal lag between the approval of a significant investigation, and a disruption or dismantlement, which can adversely impact the percentage. As agents continue their investigations and ultimately disrupt/dismantle TCOs, the numerator for this measure will increase, yielding an improved percentage.

#### (3) Performance Target for FY 2019

The performance target for FY 2019 is 15.90 percent. Planning for responses to future criminal trends, while critical in assessing risk and threats, is difficult due to the inherent challenge of predicting future criminal activity. This makes the establishment of performance targets for enforcement statistics extremely difficult. Due to the high number of unknown variables, the FY 2019 performance target was created using historical trends, future operational assumptions, attrition, national security special event details and change in administrations.

#### (4) Quality of Performance Data

The database used to validate Domestic Investigations performance data is ICM. Domestic Investigations relies on ICM to ensure the performance data are accurate, complete, and unbiased in presentation and substance. ICE also conducts quality control verification on all data received through ICM to ensure performance data is accurate, complete, and unbiased in presentation and substance.

Due to the migration noted in Metric 1 Section 4, some of the data used in this metric of the report has been impacted by an immaterial amount.

#### **Domestic Investigations**

Metric 4: Percent of significant high risk drug related illicit trade and illicit travel and finance investigations that result in a disruption or dismantlement

#### (1) Description

ICE coordinated with ONDCP and established performance metrics in FY 2012 to better indicate the success of counter-narcotics enforcement across all investigative areas. This is aligned with the 2016-2020 HSI Strategic Plan, Goal: *Protect the Homeland Against Illicit Trade, Travel and Finance, Objective 2.4: Disrupt and Dismantle Drug Trafficking Organizations.* The methodology used to calculate this measure remains consistent with the prior year. ICE supported ONDCP initiatives that include the National Counter Narcotics Strategy objectives, such as disrupting and dismantling transnational and domestic drug-trafficking and money-laundering organizations. The performance metric is "the percentage of significant high risk drug related illicit trade and illicit travel and finance investigations that result in a disruption or dismantlement." Agents submit enforcement actions that meet the definition of either a disruption or dismantlement, which are cases deemed high-impact or high-risk based on a predefined set of criteria and are reviewed by an SCR panel. The SCR panel reviews enforcement actions and examines each submission to ensure it meets the requirement of a disruption or dismantlement.

While Metric 3 focuses on all seven types of ICM criminal investigations, this metric specifically relates to illicit trade, travel, and finance in investigations explicit to investigations in transnational criminal enterprises that focus on schemes involving import and/or export or other trade, travel, finance, or immigration violations. These investigations include HSI investigational actions directly related to the disruption and/or dismantlement of Consolidated Priority Organization Targets and Regional Priority Organization Targets in accordance with targets designated by the Organized Crime Drug Enforcement Task Force. Percentages are calculated by dividing drug-related enforcement actions (deemed a disruption or dismantlement) by the total number of enforcement actions within the domestic program.

#### (2) Actual Performance Results for FY 2019<sup>3</sup>

Fiscal Year	Target	Year End Actual
2015	29.00%	9.55%
2016	15.00%	19.03%
2017	15.10%	19.03%
2018	15.20%	9.91%
2019	15.20%	8.56%

In FY 2019, 8.56 percent of significant high-risk counter-narcotic, illicit trade, travel and finance investigations resulted in a disruption or dismantlement. Therefore, HSI did not meet the FY 2019 target of 15.20 percent. Target missed due to an overall increase of 22% in the number of approved significant investigations. However, there is always a temporal lag between the approval of a significant investigation, and a disruption or dismantlement, which can adversely

\_

<sup>&</sup>lt;sup>3</sup> HSI discovered a coding error at the beginning of FY 2015 within the information system that pulls data from TECs. This forced a revalidation of data and a rethinking of how the data is pulled and verified. HSI has since used a corrected data coding and validation for FY 2015. HSI reexamined previous year's data using the new coding and methodology and those actual results are: FY13 16.28%, FY14 47.16%. The prior year actual results in the table have not been modified, so as to remain comparable to previously issued reports.

impact the percentage. Law enforcement actions that impede the criminal activity, or render the transnational criminal organization incapable of reconstituting itself, do not occur immediately; rather, they are the result of intensive and lengthy investigations. As agents continue their investigations and ultimately disrupt/dismantle TCOs, the numerator for this measure will increase, yielding an improved percentage.

#### (3) Performance Target for FY 2019

The performance target for FY 2019 is 15.20 percent. Due to the high number of unknown variables, the FY 2019 performance target was created using historical trends, future operational assumptions, attrition, and national security special event details. In addition, this target was set before FY 2019 actuals were finalized with the assumption that the patterns will continue into the near future. In establishing this metric, Domestic Investigations plans to have sufficient resources to support the same level of effort on drug related investigations into FY 2020.

#### (4) Quality of Performance Data

The database used to validate Domestic Investigations performance data is ICM. As stated previously, Domestic Investigations relies on ICM to ensure the performance data are accurate, complete, and unbiased in presentation and substance. ICE also conducts quality control verification on all data received through ICM to ensure performance data is accurate, complete, and unbiased in presentation and substance.

Due to the migration noted in Metric 1 Section 4, some of the data used in this metric of the report has been impacted by an immaterial amount.

#### **Exhibit 1: Additional Drug Enforcement Statistics**

Domestic Investigations keeps track of additional statistics to monitor their drug enforcement efforts. Domestic Investigations does not set targets for seizures and only provides year-end data. Note: "high impact" as discussed in Statistics 3 through 6 is defined as the weight limit for a seizure that would constitute a federal drug identification number from the El Paso Intelligence Center.

**Statistic 1**: Dollar value of real or other property seizures derived from/and/or used in drug operations.

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
\$40.2 M	\$39.0 M	\$254.1 M	\$559.9 M

<u>Statistic 2</u>: Dollar value of seized currency and monetary instruments from drug operations.

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
\$140.9 M	\$434.6 M	\$434.6 M	\$529.8 M

Statistic 3: Percentage of total cocaine seizures considered high impact.

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
49%	53%	50%	53%

Statistic 4: Percentage of total fentanyl seizures considered high impact.

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
N/A	N/A	90%	87%

#### Statistic 5:

seizures considered high impact.

Percentage of heroin

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
45%	43%	49%	51%

<u>Statistic 5</u>: Percentage of marijuana seizures considered high impact.

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
38%	33%	22%	22%

Statistic 6: Percentage of methamphetamine seizures considered high impact.

FY 2016	FY 2017	FY 2018	FY 2019
Actual	Actual	Actual	Actual
62%	66%	69%	77%

2703 Martin Luther King Jr. Ave. SE Washington, DC 20593 Staff Symbol: CG-82 Phone: (202) 372-3521

7110 March 17, 2020

James W. Carroll, Jr.
Director
Office of National Drug Control Policy
750 17<sup>th</sup> Street, NW
Washington, DC 20503

Dear Mr. Carroll,

The United States Coast Guard is required by the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019, to present information and assertions used in budget formulation, accounting for funds expended on ONDCP activities, and the level of performance in execution of these activities.

Enclosed is the Coast Guard's FY 2019 Detailed Accounting Submission, the FY 2019 Performance Summary Report, and the FY2020 President's Drug Budget.

To the best of my knowledge, the budget formulation, accounting and performance assertions presented by the United States Coast Guard are accurate and complete.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Caitlin Clemons, (202) 372-3522.

Sincerely,

M. J. Brandhuber

Captain, U.S. Coast Guard

Chief, Office of Budget and Programs

Encl: USCG FY 2019 Detailed Accounting Submission / Assertions

USCG FY 2019 Performance Summary Report

USCG FY 2020 President's Drug Budget Submission from February, 2019.

Copy: DHS Budget Office

# Drug Budget United States Department of Homeland Security United States Coast Guard Performance Summary Report FY2019

#### PERFORMANCE INFORMATION

NOTE: Although the United States Coast Guard (Coast Guard) appropriation is apportioned along budget decision unit lines (i.e., Procurement, Construction & Improvements (PC&I), Operating and Sustainment (O&S), and Research and Development (R&D)), the Coast Guard does not manage performance along decision unit lines. This is impractical due to the multi-mission performance of our assets, which transcends budget decision units. Thus, the Coast Guard received permission from the Office of National Drug Control Policy (ONDCP) to present one metric for all four decision unit lines.

This section is based on Coast Guard data and DHS Government Performance and Results Act (GPRA) documents.

The Coast Guard's Drug Interdiction mission supports national and international strategies to deter and disrupt the market for illegal drugs, dismantle Transnational Criminal Organizations (TCOs), and prevent transnational threats from reaching the United States (U.S.). The Coast Guard is the lead federal agency for drug interdiction on the high seas, and shares the lead in U.S. territorial seas with U.S. Customs and Border Protection (CBP). In carrying out this mission, the Coast Guard receives assistance from a variety of international and domestic partners including the U.S. Department of Defense, the Drug Enforcement Administration, and Immigration and Customs Enforcement. The objectives of the Coast Guard strategy are to: (1) maintain a strong interdiction presence to deny smugglers access to maritime routes and deter trafficking activity; (2) strengthen ties with source<sup>1</sup> and transit<sup>2</sup> zone nations to increase their willingness and ability to reduce the production and trafficking of illicit drugs within their sovereign boundaries, including territorial seas; and (3) support interagency and international efforts to combat drug smuggling through increased cooperation and coordination. Coast Guard operations align with the President's National Drug Control Strategy and ONDCP's National Interdiction Command and Control Plan, which target the flow of cocaine and other illicit drugs toward the U.S.

The Coast Guard's drug interdiction performance is best summarized by the program's performance measure, the Cocaine Removal Rate. This measure indicates how effective the program is at disrupting the flow of cocaine traveling via non-commercial maritime means toward the U.S. The more cocaine bound for the U.S. removed by the Coast Guard, the less cocaine available for consumption in the U.S.

#### **Performance Measures**

Cocaine Removal Rate: Removal rate for cocaine from non-commercial vessels in the maritime Transit Zone.

NOTE: In accordance with ONDCP Circular: Accounting of Drug Control Funding and Performance Summary the below table presents the performance information for the previous four fiscal years (FY 2016 – 2019) compared to the target level. The table additionally presents the target established for the current fiscal year (FY 2020).

Year:	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Target:	13.8%	11.5%	11.5%	10.0%	10.0%
Actual:	11.5%	8.2%	7.3%	9.3%	N/A

**Table 1: Performance Targets and Results (Cocaine Removal Rate)** 

This represents the percent of cocaine removed (seized by the Coast Guard, and jettisoned, scuttled, or destroyed as a result of Coast Guard law enforcement action) in relationship to the non-commercial maritime movement of cocaine. The Cocaine Removal Rate (Table 1) is calculated by dividing the total amount of cocaine removed by the Coast Guard by the total estimated non-commercial maritime movement of cocaine towards the U.S.

Year:	FY 2016	FY 2017	FY 2018	FY 2019
Flow:	2,834	2,738	2,827	3,056
Actual:	201.3	223.8	209.6	207.9

Table 2: Non-Commercial Maritime Cocaine Flow and Tonnage Removed (in Metric Tons)

The amount of cocaine removed by the Coast Guard is the sum of all cocaine that is physically seized by Coast Guard personnel and all cocaine lost by the transnational criminal organizations (TCOs) due to the Coast Guard's actions. The latter amount is, at times, an intelligence-based estimate of the quantity of cocaine onboard a given vessel that is burned, jettisoned, or scuttled in an attempt to destroy evidence when Coast Guard presence is detected. The estimated noncommercial maritime flow of cocaine towards the U.S. is extracted from the interagency-validated Consolidated Counter Drug Database (CCDB).

According to the CCDB, the known cocaine flow through the transit zone via non-commercial means increased by three percent in FY 2019 to 3,056 metric tons from 2,827 metric tons in FY 2018. The Coast Guard removed 207.9 metric tons of cocaine from the Transit Zone in FY 2019 equating to a 9.3 percent removal rate for non-commercial maritime cocaine flow. While the Coast Guard did not meet its performance target of removing 10% of non-commercial maritime cocaine flow, the Coast Guard did meet its removal target of 200 metric tons. It is important to note that although the tonnage per interdiction has increased, the number of total interdiction events decreased in FY 2019. The continuing high level of noncommercial maritime flow of cocaine will continue to make meeting the removal rate target very difficult even with high levels of effort provided by the Coast Guard and its partners.

<sup>&</sup>lt;sup>1</sup> The source zone includes the principal drug producing countries of Bolivia, Columbia, and Peru.

<sup>&</sup>lt;sup>2</sup> The transit zone encompasses Central America, Mexico, the Caribbean Sea, the Gulf of Mexico, and the eastern Pacific Ocean.

The Coast Guard Maritime Law Enforcement program managers monitor the cocaine removal rate, watching for both changes in Coast Guard removals, as well as increases or decreases in flow. Any changes are evaluated to determine the cause and to develop strategies and tactics to continue to increase the removal rate. Factors that can impact the Coast Guard's removal rate and total known non-commercial maritime flow include, but are not limited to:

- The production capacity and supply of cocaine generated in source countries by TCOs, including efforts in source countries to eradicate cocaine at its source;
- Continuously changing modes, tactics and routes by TCOs (e.g. use of submersible type vessels and logistic support vessels);
- The advancing age and deteriorating condition of the Coast Guard's cutter fleet;
- The availability of aviation assets from Customs and Border Patrol, U.S. Navy (USN) and Allied nations to support Detection and Monitoring in the transit zone;
- The availability of Coast Guard surface assets and USN or Allied surface assets with embarked USCG Law Enforcement Detachments to perform interdiction and apprehension activities;
- The availability, quality and timeliness of tactical intelligence; and new or upgraded diplomatic and legal tools;
- The fielding of new capabilities (e.g. National Security Cutter, Fast Response Cutter, and Maritime Patrol Aircraft).

In addition to the factors listed above, the Coast Guard considers the level of effort it will provide to the drug interdiction mission when setting cocaine removal targets. In FY 2019, the Coast Guard dedicated additional focus and assets to transit zone interdiction operations commensurate with previous levels. The Coast Guard was able to reallocate ship deployments in a surge effort towards the counter narcotic mission, and exceeded its 1,825 planned major cutter days to the transit zone (2,053 days provided). Coast Guard Maritime Patrol Aircraft (MPA) planned 2,551 hours to Joint Interagency Task Force South (JIATF-S) and executed 94 MPA hours less than planned. The coverage loss is attributable to gaps created by unanticipated maintenance and ongoing asset recapitalization and missionization efforts. Airborne Use of Force (AUF) helicopters were deployed for 1,063 days. Coast Guard LEDETs met all requests for deployments.

At least annually, the Coast Guard's Maritime Law Enforcement Program and Deputy Commandant for Operations' Office of Performance Management and Assessment review assumptions that factor into the establishment of out-year cocaine removal targets, making adjustments as necessary. Revisions to the targets are reported via the DHS' Future Year Homeland Security Program (FYHSP) database. The Maritime Law Enforcement Program last updated its out-year performance targets in March 2019 in conjunction with normal target setting timelines.

Due to the large growth in estimated noncommercial maritime cocaine flow in the maritime transit zone from FY 2015 to FY 2018, the Coast Guard's removal rate target for FY 2019 was 10% and continues into FY 2020. Due to increases in the capabilities provided by new Coast Guard assets and the gradual improvement in intelligence and targeting this is an aggressive, yet achievable performance target.

#### **Quality of Performance Data**

The Coast Guard continues to use the CCDB as its source for tracking cocaine movement estimates. The CCDB is the U.S. government's authoritative database for illicit drug movement in the Western Hemisphere. The Coast Guard and other federal government agencies use the CCDB to capture all known and suspected drug movement. During quarterly interagency conferences, CCDB partners develop and reconcile information about the quantity of cocaine flows and removals during drug interdiction operations. CCDB estimates permit the Coast Guard to objectively evaluate its performance.

#### **Assertions**

1) Performance reporting system is appropriate and applied.

The Coast Guard uses prescribed systems and business rules that capture and process performance data accurately and the same analysis parameters are reiterative from year to year.

2) Explanations for not meeting performance targets are reasonable.

The explanations for failing to meet the Coast Guard's performance goal are reasonable and correspond to available resources and the prevailing counter drug trends.

3) Methodology to establish performance targets is reasonable and consistently applied.

The methodology described above to establish performance targets for 2019 is reasonable given past performance and available resources.

4) Adequate performance measures exist for all significant drug control activities.

The Coast Guard received permission from the Office of National Drug Control Policy (ONDCP) to present one metric for all four decision unit lines; Removal rate for cocaine from non-commercial vessels in the maritime Transit Zone. This reflects the intended purpose of the Coast Guard Counter Drug mission.

### DEPARTMENT OF HOMELAND SECURITY UNITED STATES COAST GUARD

#### **Detailed Accounting Submission of FY 2019 Drug Control Funds**

2010 Actual

#### **DETAILED ACCOUNTING SUBMISSION**

#### A. Table of FY 2019 Drug Control Obligations

#### RESOURCE SUMMARY

(Donars in Millions)	2019 Actual
Drug Resources by Drug Control Function:	<b>Obligations</b>
<ul> <li>Interdiction</li> </ul>	\$1,557.604
Research and Development	\$2.067
Total Resources by Function	\$1,559.671
Drug Resources by Budget Decision Unit:	
<ul> <li>Operations and Support (O&amp;S)</li> </ul>	\$1,002.035
Procurement, Construction, & Improvements (PC&I)	\$555.569
Research and Development (R&D)	\$2.067
Total Drug Control Obligations	\$1,825.389

#### 1. 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 (Coast Guard) missions using activity-based cost accounting principles. The MCM is an estimate of operational mission costs allocated across the Coast Guard's 11 missions/programs consisting of: Drug Interdiction; Migrant Interdiction; Ports, Waterways and Coastal Security; Other Law Enforcement; Defense Readiness; Search and Rescue; Marine Safety; Ice Operations; Marine Environmental Protection; Living Marine Resources; and Aids to Navigation. The MCM output allocated to Drug Interdiction is allocated to the Office of National Drug Control Policy (ONDCP) Drug Control Function 'Interdiction' for all decision units with the exception of R&D. R&D is allocated to ONDCP Control Function 'Research and Development'. The information reported is timely and derived from an allocation process involving the Coast Guard's financial statement information and operational employment data. The operating hour allocation, or baseline, is developed and modified based upon budget line item requests and operational priorities.

The Coast Guard is required to report its drug control funding to ONDCP in four 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 that

remains available for obligation up to three years after appropriation. Unless stipulated by law, O&S must be spent in the fiscal year it is appropriated. The mechanics of the MCM methodology used to derive the drug control information for each decision unit's drug control data is derived as follows.

#### **Mission Cost Allocations**

O&S funds are used to operate Coast Guard facilities, maintain capital equipment, improve management effectiveness, and recruit, train, sustain, and compensate an active duty military and civilian workforce. The Coast Guard tracks resource hours spent on each of its 11 statutory missions. Obligations within the drug interdiction program are derived by allocating a share of the actual obligations of assets and activities based upon the reported percentage of time aircraft, cutters, and boats spent conducting drug interdiction activities.

The two chief input drivers to the MCM are:

- The Coast Guard's Expanse Allocation Model (EAM) The EAM model development, formerly known as the Standard Rate and User Fee Model, uses the SAS® Activity Based Model (ABM) and Enterprise Guide (EG) software solutions. The model inputs include expenditure data captured by the Coast Guard's three general ledgers: Core Accounting System (CAS), Naval and Electronics Supply System (NESSS), and Aircraft Logistics Information Management System (ALMIS). As such, this model calculates the total cost, including direct, support, and overhead, of operating the Coast Guard's assets, as well as missions or services that the Coast Guard performs but does not have related standard rates or user fees.
- Abstract of Operations (AOPS) and ALMIS The Coast Guard tracks resource hours incurred on each
  of the 11 Coast Guard statutory missions using AOPS and ALMIS. This data is then used to determine
  the amount of time each asset class is employed in each Coast Guard mission as a ratio of total resource
  hours incurred on all missions.

Using financial data recorded in the three general ledgers (CAS, NESSS, and ALMIS) in combination with asset activity data recorded in AOPS and ALMIS, the Coast Guard allocates O&S costs to each of the 11 statutory missions. By design, the MCM is based on the O&S decision unit. PC&I and R&D decision units must be calculated separately, due to the structure of the PC&I and R&D decision units, which are presented as individual projects in the Coast Guard's budget submission. Within PC&I and R&D, individual projects are allocated to missions based on an established profile (largely based on utilization). The drug interdiction attributions of each of these projects are then combined to determine the total contribution to the drug interdiction mission.

The program percentages derived from the MCM are applied to O&S, PC&I and R&D decision units per the above methodology (see Attachments A, B, C and D, respectively). Obligation data is derived from the final financial accounting Report on Budget Execution (SF-133).

As previously discussed, because the Coast Guard budgets through congressionally established appropriations (rather than individual missions), the organization must rely on information contained within the activity based MCM. The Coast Guard 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 Coast Guard with a reliable, repeatable system that forecasts future year spending and estimates previous year obligations by mission.

#### 2. Methodology Modifications

The methodology described above is consistent with the previous year.

#### 3. Material Weaknesses or Other Findings

In prior fiscal years and FY19, the Coast Guard contributed to DHS material weaknesses in the following internal control areas: Financial Reporting and IT Controls and System Functionality. Following the recommendations provided in the previous DHS Independent Auditors' Reports, the Coast Guard has continued to implement corrective action plans to remediate long-standing internal control deficiencies, strengthen existing internal controls, and provide assurance over the fidelity of financial information.

Coast Guard control deficiencies that contributed to the department-level material weaknesses did not impair Coast Guard's ability to report complete and accurate obligation data in the Table of FY 2019 Drug Control Obligations. The Coast Guard control deficiencies that contributed to the material weaknesses in Financial Reporting and IT Controls and System Functionality were related to the Coast Guard's three accounting systems. However, the deficiencies were primarily related to access controls, and the Coast Guard had sufficient compensating controls in place to ensure that budgetary data (i.e. obligations) was presented fairly, in all material respects.

#### 4. Reprogramming or Transfers

During FY 2019, Coast Guard had reprogramming and transfers. As a component of DHS, Coast Guard 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 2019, the Department determined there were no reprogramming or transfers that materially impacted Coast Guard's drug-related obligations reported in the Table of FY 2019 Drug Control Obligations.

#### 5. Other Disclosures

The following provides a synopsis of the Coast Guard's FY 2019 Drug Control Funds reporting which describes:

- 1. The agency's overall mission and the role of drug interdiction efforts within the Coast Guard's multimission structure; and
- 2. The Coast Guard's Drug Budget Submission.

#### **Coast Guard Mission**

The Coast Guard is a military service with mandated national security and national defense responsibilities, and is the United States' leading maritime law enforcement agency with broad, multifaceted jurisdictional authority. Due to the multi-mission nature of the Coast Guard 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 challenges the Coast Guard 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 Coast Guard's congressional budget submissions and appropriations. It should be noted and emphasized the Coast Guard does not have a specific appropriation for drug interdiction activities. As such, there are no financial accounting lines for each of the Coast Guard's 11 statutory missions. All drug interdiction operations, capital improvements, reserve support, and research and development efforts are funded through general Coast Guard appropriations.

The Coast Guard's drug control budget is generally an accurate reflection of the Coast Guard's overall budget. The Coast Guard's O&S appropriation budget request is incremental, focusing on the changes from the prior year base brought forward. The Coast Guard 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 and 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 our annual submission to the ONDCP for the NDCS Budget Summary.

#### **Assertions**

#### 1) Obligations by Budget Decision Unit

Not Applicable. As a multi-mission agency, the Coast Guard is exempt from this reporting requirement, as noted in the ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary*, Section 6(A)(1), dated May 8, 2019.

#### 2) <u>Drug Methodology</u>

The methodology used to produce the drug interdiction funding in this report is reasonable and accurate. This methodology is consistently used by the Coast Guard 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 2019 financial and AOPS/ALMIS data, as presented in the Coast Guard's FY 2019 OMB budget submission.

Financial Systems – The MCM uses costs from three general ledgers. These include CAS, NESSS, and ALMIS general ledgers. 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: *Accounting of Drug Control Funding and Performance Summary*, issued May 8, 2019. Documentation on each decision unit is provided.

#### 4) Material Weaknesses or Other Findings:

Material Weaknesses or Other Findings are noted in section three above.

#### 5) Methodology Modifications:

The methodology described above is consistent with the previous year.

#### 6) Reprogramming or Transfers

During FY 2019, the Coast Guard had no reports of transfers or reprogramming actions affecting drug related budget resources in excess of \$1 million.

#### 7) Fund Control Notices

ONDCP did not issue the Coast Guard a Fund Control Notice for FY 2019.

# Summer Budget and Performance Summary DEPARTMENT OF HOMELAND SECURITY

**United States Coast Guard** 

**Resource Summary** 

Resource Summary				
	Budget	Budget Authority (in Millions)		
	FY 2018 Enacted	FY 2019 President's Budget	FY 2020 President's Budget	
Drug Resources by Function				
Interdiction	\$1,918.848	\$1,387.675	\$1,643.785	
Research and Development	\$4.052	\$1.947	\$0.676	
Total Drug Resources by Function	\$1,922.900	\$1,389.622	\$1,644.461	
Drug Resources by Decision Unit				
Operations & Support	\$1,013.389	\$996.671	\$1,248.179	
Procurement, Construction, & Improvements	\$905.459	\$391.004	\$395.606	
Research & Development	\$4.052	\$1.947	\$0.676	
Total Drug Resources by Decision Unit	\$1,922.900	\$1,389.622	\$1,644.461	
Drug Resources Personnel Summary				
Total FTEs (direct only)	6,878	6,137	7,464	
Drug Resources as a Percent of Budget				
Total Agency Budget (in Billions)	\$12.2	\$11.7	\$11.4	
Drug Resources Percentage	15.81%	11.93%	14.48%	

#### **Program Summary**

#### **MISSION**

The Coast Guard is America's principal Federal agency for maritime safety, security, and stewardship. It enforces all applicable Federal laws and international conventions on, under, and over the high seas and waters subject to the jurisdiction of the United States. This includes the United States' territorial seas, the contiguous zone, the Exclusive Economic Zone, and the high seas. As part of its maritime security strategic goal, the Coast Guard's drug interdiction objective is to reduce the flow of illegal drugs entering the United States by denying smugglers access to maritime routes. Interdicting illicit drug-related trafficking as close to the source as possible helps dismantle Transnational Criminal Organization (TCO) networks that directly threaten the national security of the United States, exploit U.S. citizens, and destabilize our Western Hemisphere neighbors. This goal is accomplished through projection of an effective law enforcement presence over the six-million-square-mile transit zone of the Caribbean Sea, the Gulf of Mexico, and the Eastern Pacific Ocean.

The Coast Guard has a comprehensive approach to maritime counterdrug law enforcement in the source, transit, and arrival zones. The key objectives of the Coast Guard strategy are to: (1) maintain an interdiction presence based on the availability of assets, deny smugglers access to maritime routes, and deter trafficking activity; (2) strengthen ties with source and transit zone nations to increase their willingness and ability to stem the production and trafficking of illicit drugs; and (3) support interagency and international efforts to address drug smuggling through increased cooperation and coordination.

#### **METHODOLOGY**

The Coast Guard does not have a specific appropriation for drug interdiction activities. All Coast Guard operations, capital improvements and acquisitions, reserve training, and research and development activities targeted toward drug interdiction are funded out of the associated appropriations specified herein. Reflecting the multi-mission nature of Coast Guard units, the accounting system is keyed to operating and support facilities, rather than to specific missions. Consistent with that approach, personnel and other costs are administered and tracked along operational and support capability lines requiring detailed cost accounting techniques. The Coast Guard uses a Mission Cost Model methodology to compute its drug mission allocation. The Mission Cost Model allocates funding across Coast Guard missions in the Performance-Based Budget presentation. The Mission Cost Model allocates all direct and support costs to mission-performing units (e.g., National Security Cutter [NSC] or Maritime Patrol Aircraft [MPA]). Established baselines of operational activity are used to further allocate those costs to the various missions.

#### Procurement, Construction & Improvements (PC&I)

The Mission Cost Model is used to develop an allocation of costs by mission areas for proposed PC&I projects based on the typical employment of assets germane to the project. For example, if a new asset is being proposed for commissioning through a PC&I project, costs would be applied to missions using the operational profile of a comparable existing asset. The Coast Guard uses a zero-based budget approach in developing its request for PC&I funding. Program changes in the PC&I account may vary significantly from year-to-year depending on the specific platforms or construction projects supported. PC&I funding finances the acquisition of new capital assets, construction of new facilities, and physical improvements to existing facilities and assets. The funds cover Coast Guard-owned and operated vessels, aircraft, shore facilities, and other equipment, such as computer systems.

#### **Operations & Support (O&S)**

O&S funds are used to operate assets and facilities; maintain capital equipment; improve management effectiveness; and recruit, train, and sustain all active-duty military and civilian personnel. Budget presentations for current and future years use the most recent O&S asset cost data and systematically allocate costs in the following manner:

- Direct Costs: Applied directly to the operating assets, including the National Security Cutter (NSC),
   Fast Response Cutter (FRC), and MPA, that perform missions.
- **Support Costs:** Applied to assets for which cost variability can be specifically linked to operating assets (based on allocation criteria).
- Overhead Costs: Applied to assets based on proportion of labor dollars spent where cost variability cannot be specifically linked to operating assets. This is a standard industry approach to overhead allocation.

Once all O&S costs are fully loaded on mission-performing assets, those costs are further allocated to Coast Guard missions (Drug Enforcement, Search and Rescue, etc.) using actual or baseline projections for operational employment hours.

### Research & Development (R&D)

The Mission Cost Model is used to develop an allocation of costs by mission areas for proposed R&D projects. Allocation of drug interdiction funding is accomplished within the R&D appropriation by evaluating each project's anticipated contribution to drug interdiction efforts based on subject matter expert professional judgment.

### **BUDGET SUMMARY**

The Coast Guard's FY 2020 President's Budget provides \$1,644.461 million for drug control activities, an increase of \$254.839 million from the FY 2019 President's Budget. The primary driver for the increase from FY 2019 to FY 2020 was the addition of O&S for seven new FRCs, one additional NSC and support for increased biometrics collection infrastructure, increased prosecution teams, expanded operational intelligence analytic capabilities, added document and media exploitation (DOMEX) analysts, and increased international training teams to engage and support capacity building with critical partner nations.

### **Procurement, Construction, and Improvements**

FY 2020 President's Budget: \$395.997 million

(Reflects \$4.391 million increase over FY 2019 President's Budget)

The FY 2020 President's Budget requests funding for the continued replacement or refurbishment of outdated, deteriorating assets. Recapitalization is crucial to preserving surface, air, and shore asset capability and remains a critical investment for the Nation. FY 2020 investments will provide the Coast Guard with assets that will be in service for decades. These assets will enhance the Coast Guard's ability to secure the Nation's borders, prevent the flow of illegal drugs, rescue those in peril, preserve our economic resources and vitality, and protect the environment.

### FY 2020 Changes (+\$4.39 million):

The FY 2020 Budget provides funding to acquire new assets and also funds the critical logistics and Command, Control, Computers, Communications, Intelligence, Surveillance, and Reconnaissance (C4ISR) investments needed to support them. Specifically, the FY 2020 budget:

- Continues to support the OPC project as part of the recapitalization of the Coast Guard fleet. This
  funding will support construction of the third OPC and the long lead time materials for the fourth and
  fifth. The OPC acquisition will bridge the capabilities of the NSC and FRC, while replacing the Coast
  Guard's fleet of Medium Endurance Cutters.
- Supports funding for four FRCs. The FRC is the replacement for the 110-foot Island Class patrol boat
  that is past its designed service life. The FRC, with advanced electronics and enhanced operational
  capabilities, is more capable than the 110-foot patrol boat. In FY 2015, FRCs removed 4,897 kilograms
  of cocaine and 7,378 lbs. of marijuana in the approaches to the United States.
- Provides sufficient funding to continue with C-27 Asset Project Office activities; continue aircraft
  missionization and purchase initial spare parts; conduct contractor logistics support and training; and
  coordinate airworthiness evaluation with Naval Air Systems Command. The C-27J is a medium-range
  surveillance and transport aircraft and will provide additional detection and monitoring support in the
  Western Hemisphere Drug Transit Zone. The two-engine high-efficiency turboprop design allows
  extended surveillance and quick response capability at a lower cost per flight hour than the HC-130H/J.

- Continues funding to retrofit the HC-130J and the HC-144A aircraft with the new Coast Guard variant
  of the Minotaur mission system. The Minotaur upgrade will improve performance and address
  obsolescence issues, ensuring continued detection and monitoring capabilities provided by the HC130J and HC-144A fleets.
- Continues Post Delivery Activities on the seventh through eleventh NSCs to ensure operational readiness following delivery.
- Supports funding for the 270-foot Medium Endurance Cutter Service Life Extension, enabling legacy assets to continue to conduct counterdrug interdiction.

### **Operations and Support**

FY 2020 President's Budget: \$1,248.179 million

(Reflects \$251.505 million increase from FY 2019 President's Budget)

In the FY 2020 Budget, O&S will fund both new assets coming online and increased depot level maintenance for aging assets. These assets contribute significantly to the drug interdiction mission. In addition to reinvesting efficiencies to sustain operations, support, and critical asset recapitalization, the FY 2020 Budget supports the Coast Guard workforce, including personnel pay and allowances; training and recruiting; operations and support for an additional four FRCs; and the crew for one NSC. This request also supports increased biometrics collection infrastructure, increased prosecution teams, expanded operational intelligence analytic capabilities, added document and media exploitation (DOMEX) analysts, and increased international training teams to engage and support capacity building with critical partner nations.

#### **Research and Development**

FY 2020 President's Budget: \$0.676 million

(Reflects \$1.271 million decrease from FY 2019 President's Budget)

R&D funding allows the Coast Guard to sustain critical missions for the Department of Homeland Security. The requested R&D funding supports all 11 statutorily mandated Coast Guard mission programs. These mission programs, in turn, directly support the Coast Guard's role as the principal Federal agency for ensuring maritime safety, security, and stewardship.

### FY 2020 Changes (-\$1.271 million):

FY 2020 resources will continue to support the development of technologies, such as opioid detection technology, unmanned aircraft, unmanned surface vessels, and unmanned subsurface vessels that give operational commanders a wider range of options to detect/stop fleeing vessels.

### **PERFORMANCE**

Information regarding the performance of the drug control mission of the Coast Guard program is based on agency Government Performance and Results Act (GPRA) documents and Coast Guard data. The table and accompanying text represent highlights of their achievements in FY 2018.

	United States Coast Guard									
Se	elected Measures of Performance	FY 2018 Target	FY 2018 Achieved							
<b>»</b>	Removal rate for cocaine from non-commercial vessels in Maritime Transit Zone	10.0%	7.4							
<b>&gt;&gt;</b>	Metric Tons (MT) of Cocaine Removed	100.0	209							
<b>»</b>	Percent Non-Commercial Maritime Conveyance	<90.0%	98%							

### Discussion

The Coast Guard continues to use the Interagency Consolidated Counterdrug Database (CCDB) as its source for tracking cocaine movement estimates. The CCDB quarterly event-based estimates are the best available authoritative source for estimating illicit drug flow through the Transit Zone. These estimates permit the Coast Guard to objectively evaluate its performance on a quarterly basis.

In FY 2018, the Coast Guard dedicated focus and assets to transit zone interdiction operations above historical levels and exceeded its target of 2,160 major cutter days to the transit zone by over 300 cutter days.

### **FY 2018 Performance Highlights**

- In July of 2018, during a routine patrol of the Eastern Pacific, the CGC Steadfast, a 210-foot Medium Endurance Cutter, launched the over-the-horizon rigid hull inflatable to interdict a go-fast vessel approximately 100 nautical miles west of Mexico. Despite the go-fast vessel operators detecting the Coast Guard boat and jettisoning bales of cocaine, the total amount of recovered contraband was over 5,240 kilograms, the single largest interdiction total since 2005.
- In May of 2018, a Medium Endurance Cutter with an embarked armed helicopter utilized warning shots and disabling fire to stop two separate vessels observed jettisoning packages 547 miles southwest of the Mexico/Guatemala Border. These interdictions yielded approximately 2,100 kilograms of cocaine removed from international waters.
- In April of 2018, a NSC interdicted a Costa-Rican flagged fishing vessel approximately 100 miles north of Cocos Island, Costa Rica. This interdiction removed approximately 1,250 kilograms of cocaine.

### **OPIOIDS**

While individual cutters target contraband of all types, and the Coast Guard has interdicted heroin in the maritime environment in 2017 and 2018, the mission cost model does not separate individual funds used to target individual substances. However, the Coast Guard is pursuing pilot testing of opioid detection technology to improve the chances of interdicting the spectrum of illicit substances.

### **ASSERTIONS**

- 1) <u>Timeliness of summer Budget Submission:</u> The Summer Drug Budget submitted to ONDCP through the Department of Homeland Security, in response to ONDCP Circular Budget formulation, Section 9.a.(1) was provided to ONDCP at the same time as that budget request was submitted to Department superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).
- 2) <u>Funding Levels:</u> 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 Department of Homeland Security, without alteration or adjustment by any official in the U.S. Coast Guard.

### Tab G



### U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF INSPECTOR GENERAL

January 31, 2020

**MEMORANDUM NO:** 2020-NY-0801

### Memorandum

TO: Jemine A. Bryon, Deputy Assistant Secretary for Special Needs, DN

FROM: Kimberly S. Dahl, Regional Inspector General for Audit, Office of Audit, 2AGA

SUBJECT: Independent Attestation Review: U.S. Department of Housing and Urban

Development, Office of Special Needs, Continuum of Care Homeless Assistance Grants Program, Regarding Drug Control Accounting for Fiscal Year 2019

This report provides the results of our independent attestation review of the U.S. Department of Housing and Urban Development (HUD), Office of Special Needs, Continuum of Care Homeless Assistance Grants Program, regarding drug control accounting and associated management assertions for fiscal year 2019 as outlined below.

In accordance with Office of National Drug Control Policy (ONDCP) requirements, HUD made the following assertions:

- HUD reported drug spending in accordance with the methodology approved by ONDCP.
- HUD's drug methodology used to calculate obligations of prior-year budgetary resources by function was approved by ONDCP in accordance with the criteria in section 7b(2) of the ONDCP circular.
- The drug methodology that HUD disclosed in its report was the methodology used to generate the required table.
- All material weaknesses, other findings by independent sources, or other known
  weaknesses, including those identified in the agency's Annual Statement of Assurance,
  which affect the presentation of prior-year drug-related obligations, have been disclosed.
- Any modifications made to the methodology for reporting drug control resources from previous years' reporting, if reported, were approved by ONDCP.

- HUD's methodology for establishing performance targets was reasonable and consistently applied.
- HUD has established adequate performance measures and has a performance reporting system to collect performance data and generate accurate reports.
- HUD's explanation for revising or eliminating performance measures and targets is reasonable.<sup>1</sup>
- HUD's report reflected the data output generated by a methodology approved by ONDCP.

Each National Drug Control Program agency must submit to the director of ONDCP, not later than February 1 of each year, a detailed accounting of all funds spent by the agency for National Drug Control Program activities during the previous fiscal year (21 U.S.C. (United States Code) 1704(d)(1)). In addition, the accounting must be "authenticated by the Inspector General for each agency prior to submission to the Director as frequently as determined by the Inspector General but not less frequently than every 3 years." The accounting and related assertions are the responsibility of HUD's management and were prepared by HUD personnel as specified in the ONDCP circular, National Drug Control Program Agency Compliance Reviews, dated October 22, 2019.

As required by Federal statute 21 U.S.C. 1704(d)(1), we reviewed HUD's drug control accounting, including its written assertions. We conducted our attestation review in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibility is to express a conclusion on the subject matter or assertion based on our review. The AICPA standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the subject matter or assertions in order for them to be in accordance with (or based on) the criteria. A review is substantially smaller in scope than an examination, the objective of which is to obtain reasonable assurance about whether the subject matter is in accordance with (or based on) the criteria in all material respects or the responsible party's assertion is fairly stated in all material respects in order to express an opinion. Accordingly, we do not express such an opinion.

We performed review procedures on HUD's assertions and the accompanying fiscal year 2019 reports. See appendixes A and B for the documents received from HUD. In general, we limited our review procedures to inquiries and analytical procedures appropriate for the attestation review.

Based upon our review, we are not aware of any material modifications that should be made to HUD's assertions or the accompanying fiscal year 2019 reports in order for them to be in

2

<sup>&</sup>lt;sup>1</sup> HUD's narrative disclosed changes to performance measures, ongoing efforts to enhance performance data, and plans to establish performance targets.

accordance with ONDCP requirements. We believe that our review provided a reasonable basis for our conclusion.

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 to be discussed, please contact me at (212) 264-4174.

### Attachments

cc:

David C. Woll, Jr., Acting Assistant Secretary for Community Planning and Development, D John Bravacos, General Deputy Assistant Secretary, D Irving L. Dennis, Chief Financial Officer, F George Tomchick, Deputy Chief Financial Officer, F Emily M. Kornegay, Assistant CFO for Budget, FO Richard Baum, Senior Policy Advisor, ONDCP

### Appendix A

**HUD's Fiscal Year 2019 Office of National Drug Control Program Reporting** 

### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Community Planning and Development

### **Resource Summary**

rug Resources	
	FY 2019 Actual
Treatment	\$502.355
Total Drug Resources by Function	\$502.355
Continuum of Care: Homeless Assistance Grants	\$502.355
Total Drug Resources by Decision Unit	\$502.355
Total FTEs (direct only)	-
Total Agency Budget (in Billions)	\$53.8
Drug Resources Percentage	0.93%

### 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 and/or substance abuse issues, persons living with HIV/AIDS, and formerly incarcerated individuals. HUD's annual Continuum of Care (CoC) Program competition requires project applicants to identify the number of persons with chronic substance abuse that they anticipate serving. This information is reported to HUD through its grants management site, e-snaps. E-snaps includes validations to ensure internal consistency with the data reported and the data are generally derived from historical records generated from local databases called Homeless Management Information Systems (HMIS). HUD prescribes many requirements for HMIS to ensure consistent data collection and reporting protocols. HUD uses the proportion of those persons, relative to the total number of persons experiencing homelessness that will be served to generate a percent of persons with chronic substance abuse issues that would be served in the CoC Program. In the most recent CoC Program competition, the fiscal year 2018 competition, HUD found that 23.2 percent (rounded) of the total clients that will be served are projected to have substance abuse issues. HUD relied on the fiscal year 2018 competition data because grants funded from that year's appropriation (FY 2018) operate during calendar year 2019, which most closely aligns to the reporting period in this report. HUD then multiplies this number by the CoC funding award to determine the anticipated amount that will be spent on serving persons with chronic substance abuse issues. For the fiscal year 2018 competition, HUD awarded \$2.165 billion in CoC Program funding, of which \$502.4 million (rounded) is anticipated to be spent on persons with chronic substance abuse issues.

### **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 2019.

### OTHER DISCLOSURES

HUD has not identified any other disclosures relating to the fiscal year 2019 drug control funds.

### MANAGEMENT ASSERTIONS

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

### Department of Housing and Urban Development FY 2019 Performance Summary Report

### PERFORMANCE MEASURES & PRIOR YEARS PERFORMANCE TARGETS AND RESULTS

Information regarding the performance of the drug control efforts of HUD is based on data collected from programs receiving funding through the annual CoC Program competition.

Ī	Office of Special Needs Assistance Programs								
Selected Measures of Performance		FY 2015 Achieved	FY 2016 Achieved	FY 2017 Achieved	FY 2018 Achieved	FY 2019 Achieved			
n	Percentage of participants exiting CoC-funded transitional housing, rapid rehousing, and supportive services only projects that move into permanent housing.*	52.0%	47.3%	49.3%	51.9%	N/A			
»	Percentage of participants in CoC- funded permanent supportive housing remaining in or exiting to permanent housing.*	92.9%	93.3%	93.3%	93.5%	N/A			
»	Projected number of participants who report substance abuse as a barrier to housing to be served in CoC-funded projects.	76,390	73,755	71,748	70,871	N/A			

<sup>\*</sup> This data is based on CoC Program Annual Performance Reports (APRs). APRs are for grants awarded in a fiscal year competition and are based on 1 year of performance for each of those grants. For instance, the grants awarded in fiscal year 2016 must begin operating sometime in calendar year 2017 and will report in the APR on 12 months of performance. This means that the earliest an FY 2016 grant could start is January 1, 2017, and the latest it could start is December 1, 2017 (we require all grants to begin operating by the beginning of the month). It means that the operating end date for a project could be from December 31, 2017, to November 30, 2018. On rare occasions a grant will be extended for an additional few months so the end date can be longer than the November 30, 2018, in these rare circumstances. For this report, the data under the fiscal year column is based on the grants awarded in the previous fiscal year, except for the data reported under the "FY 2017 Achieved" column is based on data from grants awarded prior to fiscal year 2016 CoC program competition. For example, the data reported under the "FY 2016 Achieved" column is based on data from grants awarded in the fiscal year 2015 CoC Program competition. Data from APRs for grants awarded in fiscal year 2017, will not be available until calendar year 2020.

In the first performance measure – exits from transitional housing, rapid rehousing, and supportive services only projects to permanent housing destinations – there was nearly a three-percentage point increase between 2017 and 2018 from 49.3 percent to 51.9 percent. There was virtually no change during the same time period for the second measure (an increase from 93.3 percent in 2017 to 93.5 percent in 2018), which looks at the percent of persons served in CoC Program-funded permanent supportive housing projects that remain in or exit to

permanent housing. Both measures reflect the importance for persons who receive homeless services through HUD-funded programs to exit to a stable housing situation.

The final measure tracks the number of persons proposed to be served by HUD's CoC-funded programs who enter with chronic substance abuse issues. There was a decrease of 877 persons projected to be served between 2017 and 2018.

As an additional note on performance, between calendar years 2017 and 2018, HUD reported a decline of 3 percent in families experiencing homelessness (29 percent decline since 2010), as reported in HUD's 2018 Annual Homeless Assessment Report (AHAR): Part 1 — Point-in-Time Estimates of Homelessness.

#### QUALITY OF PERFORMANCE DATA

HUD recently updated its data collection efforts across CoCs to improve the ability for HUD and CoCs to understand performance across their entire CoC - not merely at the project level. HUD has collected data across the entire CoC for over three years now. This effort has improved the understanding of performance across an entire CoC and has resulted in higher data quality at the project level. CoCs are required to report their data quality information (such as, null and missing values in fields) to HUD and data quality benchmarks are included in the annual CoC Program competition to incentivize higher data quality. Also, for CoC-funded projects, HUD switched its data collection system to one that requires project recipients to upload their data from their local Homeless Management Information Systems (HMIS). Previously, project recipients manually entered their data into our reporting system which took time and allowed for more opportunities for error. Data quality is improved because the new upload process does not accept imported data that has obvious errors. If an import of data is not accepted, the system alerts the recipient to the specific areas of concern and the recipient is required to update their local HMIS information to ensure the data are accurate. HUD is confident that this process has forced recipients to clean up their data, resulting in better data at the CoC level and nationally.

### MANAGEMENT ASSERTIONS

The management assertions on the performance information contained in this report can be found in Appendix B.



#### U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF INSPECTOR GENERAL

November 1, 2019

### Memorandum

TO: Jemine A. Bryon

Deputy Assistant Secretary for Special Needs, DN

of moery S Jahl

FROM: Kimberly S. Dahl

Regional Inspector General for Audit, 2AGA

SUBJECT: Attestation Review Notification - Fiscal Year 2019 Drug Control Activities

The purpose of this letter is to officially notify you that the Office of Inspector General (OIG) is initiating an attestation review related to HUD's fiscal year 2019 National Drug Control Program activities and to confirm that an entrance conference has been scheduled for November 20, 2019 at 1:30pm via telephone conference call.

The objective will be to express a conclusion (limited assurance) on HUD's drug control accounting and associated management assertions for National Drug Control Program activities for fiscal year 2019.

Each National Drug Control Program agency must submit to the director of ONDCP, not later than February 1 of each year, a detailed accounting of all funds spent by the agency for National Drug Control Program activities during the previous fiscal year (21 U.S.C. (United States Code) 1704(d)(1)). In addition, the accounting must be "authenticated by the Inspector General for each agency prior to submission to the Director as frequently as determined by the Inspector General but not less frequently than every 3 years." The ONDCP Circular, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, specifies that reports be provided to the agency's OIG to express a conclusion about the reliability of each assertion made in the report. A copy of our report will be sent to ONDCP.

HUD's CFO, or other accountable senior executive, is responsible for preparing, and submitting a detailed accounting and a performance summary related to HUD's National Drug Control Program activities and the results associated with those activities in the last fiscal year. The detailed accounting report must include a table highlighting prior year drug control obligations data, and a narrative section making assertions regarding the data. The performance summary must include performance-related information for National Drug Control Program activities and related assertions. HUD must submit reports to the OIG in sufficient time to allow for review and authentication.

Office of Audit Region 2
26 Federal Plaza, Room 3430, New York, NY 10278
Phone (212) 264-4174, Fax (212) 264-1400
Visit the Office of Impactor General website at www.hudoig.gov.

In assessing reliability, we will conduct an attestation review consistent with the Statements for Standards of Attestation Engagements, promulgated by the American Institute of Certified Public Accountants (AICPA), and Government Auditing Standards. Our responsibility is to express a conclusion on the subject matter and assertions based on our review. The AICPA standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the subject matter or assertions in order for them to be in accordance with (or based on) the criteria.

To initiate this attestation review, we request that you and any members of your staff who can provide information relevant to our objective attend the entrance conference. We plan to start working remotely after the entrance conference, but request that space is made available for onsite visits. We expect to issue the report by the required deadline of February 1.

To facilitate a quick and efficient review and to minimize disruption to your operations, we have enclosed an initial list of items that we will need to perform our review. Please make these items available at the entrance conference, or shortly thereafter. When possible, please provide items in electronic format.

If you have any questions, please contact Frances Ranzie, Assistant Regional Inspector General for Audit, at (212) 542-7986, or Diego Ramos Auditor-in-Charge, at (973) 776-7335.

#### Attachment

David C. Woll, Jr., Assistant Secretary for Community Planning and Development, D George Tomchick, Deputy Chief Financial Officer, F. Meredith Defraites, Office of National Drug Control Policy Henry Hensley, Director, Office of Strategic Management and Planning, X Oscar Franklin, Acting Departmental ALO, Director, Audit Liaison Division, OCFO, FMC

#### Attachment

### List of Requested Items

- HUD's policies and procedures related to the accounting of drug control funding and procedures for submission of data to the ONDCP including any guidance provided to HUD by the ONDCP since 2/1/2019, and any communication between HUD and ONDCP since 2/1/2019.
- Letter from ONDCP on the review and approval of HUD's fiscal year 2019 financial plan and approval of its drug control budget request.
- HUD's resource summary table(s).
- HUD's narrative methodology section for national drug control spending.
- An explanation of how e-snaps collects data related to the drug control funding submission.
- 6. Reports from e-snaps providing the following information:
  - · grantee names
  - · award amounts,
  - number of persons identified with chronic substance abuse (numerator), and
  - total number of applicants (denominator)
- 7. Support for changes (including methodology changes) and ONDCP approval.
- Performance reporting (current year and prior year), including performance measure results v. targets.
- 9. Updated performance measures, targets, if applicable, and evidence of approval.
- 10. Updated narrative for performance measures, targets, and results.
- 11. Management representations and assertions letter.

### Appendix B

#### **HUD's Representations Letter**



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

January 31, 2020

Ms. Rae Oliver Davis
Inspector General
U.S. Department of Housing and Urban Development
Office of Inspector General
451 7th Street SW, Room 8254
Washington, DC 20410-0001

Dear Ms. Davis:

We are providing this letter in connection with your attestation review of HUD's annual submission of fiscal year 2019 funds expended for the National Drug Control Program. You conducted your attestation to (l) provide limited assurance that nothing came to the attention of the OIG that would cause you to believe our agency's accounting submission to the Office of National Drug Control Policy (ONDCP) was presented other than fairly in all material respects based on the criteria and (2) report whether HUD's submission to ONDCP was in compliance with applicable laws and regulations.

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

We understand and acknowledge that HUD's management is responsible for the fair presentation of the information included within the annual submission to ONDCP in accordance with applicable requirements. We are responsible for making all financial records and related information available to you to conduct the attestation review. Further, we agree to communicate to you the discovery of any material misstatements that would affect the fair presentation of its annual submission to ONDCP. The attestation review does not relieve us of these responsibilities.

We confirm, to the best of our knowledge and belief, the following representations and assertions made to you during the attestation review. These representations pertain to HUD's fiscal year 2019 Budget and Performance Summary for their accounting submission to ONDCP:

### Written Assertions and Representations (Attestation Regulations- Ref: SSAE-210- par .11 and .33)

We are responsible for the fair and accurate presentation of the subject matter based on the
criteria and in accordance w/applicable laws and requirements. We reported the FY19 detailed
accounting and performance results data regarding "National Drug Control Program" activities

www.hud.gov

espanol.hud.gov

- in accordance with 21 U.S.C. 1704 (d)(1) and supplemental guidance provided in the related ONDCP Circulars.
- We have identified and reflected all relevant matters in the measurement or evaluation of the subject matter.
- 3. We have identified and disclosed to you all known matters contradicting the subject matter or assertion and any communication from regulatory agencies or others affecting the subject matter or assertion have been disclosed to the practitioner, including communications received between the end of the period addressed in the written assertion and the date of the practitioner's report.
- 4. We are responsible for:
  - a. the subject matter data and related assertion;
  - b. selecting the criteria, when applicable; and
  - c. determining that such criteria are appropriate for the responsible part's purposes.
- We have identified and disclosed to you any known events subsequent to the period (or point in time) of the subject matter being reported on that would have a material effect on the subject matter or assertion.
- 6. We provided you all relevant information and access.
- 7. We believe the effects of any uncorrected misstatements are immaterial, individually and in the aggregate, to the subject matter.
- 8. The methodology and significant assumptions used to make material estimates are reasonable.
- We have identified and disclosed any deficiencies in internal control relevant to the engagement that we are aware of.
- 10. We have no knowledge of any actual, suspected, or alleged fraud or noncompliance with laws and/or regulations affecting the subject matter or of any other matter affecting the subject.

### Written Assertion Requirements (ONDCP Regulations- Detailed Accounting Report)

- Obligations are consistent with the application of the approved methodology for calculating drug control funding against the accounting system of record.
- 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.
- 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.

- The drug methodology described in the report was the actual methodology used to generate the required data table.
- 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.
- Any modifications made to the methodology for reporting drug control resources from the previous year's reporting, if reported, were approved by the ONDCP.
- 7. The data presented is associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of reprogramming or transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
- The data presented is associated with obligation against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 USC 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.

#### Written Assertion Requirements (ONDCP Regulations- Performance Summary Report)

- The Performance reporting system is appropriate and applied. The agency has a system to
  capture performance information accurately and the system is properly applied to generate the
  performance data. The reporting systems used are current, reliable, and an integral part of the
  agency's performance management processes.
- Explanations for not meeting performance targets are reasonable, if applicable.
   Recommendations concerning plans and schedules for meeting future targets or for revising targets or eliminating performance measures is reasonable.
- Methodology to establish performance targets is reasonable and consistently applied. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. Adequate performance measures exist for all significant drug control activities. We have established at least one acceptable performance measure for each Drug Control Budget Decision Unit identified in reports required for which a significant amount of obligations

(\$1,000,000 or 50% of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure reflects the intended purpose of the relevant National

Drug Control Program activity.

Jemine A. Bryon U Deputy Assistant Secretary for

Special Needs

### Attachment

cc:

David C. Woll, Jr., Principal Deputy Assistant Secretary, CPD
John Bravacos, General Deputy Assistant Secretary, D
George Tomchick, Deputy Chief Financial Officer, F
Lisa Abell, Director, CPD Budget, DOTB
Norman Suchar, Director, SNAPS, DNS
Tonya Proctor, Deputy Director, SNAPS, DNS
William Snow, Specialist, SNAPS, DNS
Danielle Palmer, Financial Operations Analyst, CFO Funds Control Assurance Division, FMC
Emily M. Kornegay, Assistant CFO for Budget, FO
Mary Didier, Senior Budget Analyst, OCFO

### Tab H



### United States Department of the Interior

NATIONAL PARK SERVICE 1849 C Street, N.W. Washington, D.C. 20240

### SENT VIA ELECTRONIC MAIL - NO HARD COPY TO FOLLOW

March 11, 2020

Memorandum

To: **Director**,

Office of National Drug Control Policy

From: **Hunter Bailey** 

**Chief, Investigative Services Branch** 

Digitally signed by HUNTER BAILEY

DN: cn=HUNTER BAILEY, o=WASO-LESES
ou=Investigative Services Branch,
email=hunter, bailey@nns.nov.c=US

Subject: Fiscal Year 2019 Accounting and Performance Summary Report

In accordance with ONDCP Circular National Drug Control Program Agency Compliance Reviews, October 22, 2019 (the Circular), the U.S. Department of the Interior, National Park Service hereby submits the attached Accounting and Performance Summary Report on NPS drug control activities for fiscal year 2019, the last completed fiscal year.

This submission follows the requirements for alternative reports allowed under the Unreasonable Burden Exception in Section 10 of the Circular. The Chief – NPS Investigative Services Branch attests that the Service'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 NPS drug control activities.

If you have any questions please contact Hunter Bailey, Chief - NPS Investigative Services Branch at (202) 354-1961.



### United States Department of the Interior

### BUREAU OF INDIAN AFFAIRS Washington, D.C. 20240

IN REPLY REFER TO:

## SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW MAR 0 6 2020

### **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) 2019 Accounting and

Performance Summary Report - Indian Affairs

In accordance with ONDCP Circular National Drug Control Program Agency Compliance Reviews, October 22, 2019 (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 2019, the last completed fiscal year.

This submission follows the requirements for alternative reports allowed under the Unreasonable Burden Exception in Section 10 of the Circular. The Director, BIA – Office of Justice Services attests that the Bureau's drug control obligations are under \$50 million and full compliance with the Circular would constitute an unreasonable reporting burden. Pursuant to the Unreasonable Burden Exception, the alternative report meets the statutory requirement to provide an annual accounting of funding obligations and performance associated with BIA drug control activities.

If you have any questions please contact Charles Addington, Director, BIA – Office of Justice Services at 202-208-5787.
Attachment



# U.S. Department of the Interior Bureau of Indian Affairs Office of Justice Services

### 2019 ONDCP Performance Summary Report

Charles Addington - Director

1849 C Street NW MS-3659 Washington, DC 20240

Office: (202) 208-5787 Fax: (202) 513-0761

Bravery, Integrity, Accountability

### **ONDCP Performance Summary Review**

### **Program**

The mission of the Bureau of Indian Affairs (BIA) Office of Justice Services (OJS) is to enhance the quality of life, promote economic opportunity, and carry out our responsibility to protect and improve the trust assets of American Indians, Indian tribes, and Alaskan Natives.

The BIA OJS strives to uphold tribal sovereignty and customs and provide for the safety of Indian communities by ensuring the protection of life and property, enforcing laws, maintaining justice and order, and confining American Indian offenders in safe, secure, and humane environments. OJS directly operates or funds law enforcement, tribal courts, and detention facilities on federal Indian lands.

### **Performance Introduction**

In Fiscal Year (FY) 2019, BIA OJS strengthened its response to an observed increase in drug activity on Indian lands throughout the United States. Information provided in this report reflects investigative activity on routine investigations, as well as complex drug trafficking investigations. BIA Division of Drug Enforcement (DDE) agents have expanded their skillsets through training and increased collaboration, leading to highly technical investigations, such as court ordered Title III wire intercept and Organized Crime Drug Enforcement Task Forces (OCDETF) cases.

Drug-related activity in Indian Country is a major contributor to violent crime and imposes serious health and economic difficulties on Indian communities. In FY 2019, Indian Country saw a 26 percent increase in drug cases worked and a 22 percent increase in drug-related arrests made, and DDE has sustained its performance on closure of drug related cases. These program performance achievements highlight our contribution to success in reducing domestic and foreign sources of illegal drugs. The multi-year increases in the overall cases worked continued to demonstrate the successful partnerships formed by BIA OJS. BIA DDE continued to provide technical assistance and training to Indian Country law enforcement. Partnerships among BIA DDE, DEA, FBI, BIA police and tribal officers have been particularly important to our success in reducing crime associated with drug use in the United States. DDE agents are responsible for managing drug investigations and providing direct technical assistance to reduce the effects of drugs and drug-related crime in Indian Country. As a result of DDE's drug investigative efforts and the technical assistance they have provided to the tribes, there have been an increasing number of drug cases worked in Indian Country every year since FY 2011.

Methamphetamine, heroin, and prescription drugs continue to cause devastating effects on tribal families and communities. In FY 2019, DDE agents continued their involvement in drug trafficking conspiracy cases that resulted in numerous drug-related arrests and exponential increases in seizure of methamphetamine and heroin across Indian Country. Specifically, in response to the increased

availability of heroin to Indian Country communities, DDE agents expanded their efforts to identify and disrupt heroin trafficking organizations and continued to focus on trafficking organizations that continue to be the largest suppliers of methamphetamine throughout Indian Country. DDE agents also continued to work prescription drug cases and illegal drug trafficking along the US border.

Following a discussion of the budgeted drug-related initiatives under OJS, this report details the latest available performance measures and achievements. Data was gathered and verified from the OJS crime statistics database, the Department of the Interior (DOI) Incident Management, Analysis, and Reporting System (IMARS), and the DDE case log.

BIA Budget	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 Proposed		
<b>Function: Investigations</b>							
A0J30 Criminal Investigations and Police Services	\$8,216,000	\$15,716,000	\$16,466,000	\$16,466,000	\$16,466,000		
A0J33 Special Initiatives (Victim Assistance)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		
Substance Abuse – Drug Initiative	9,216,000	16,716,000	17,466,000	17,466,000	17,466,000		
Function: Education							
A0J34 Indian Police Academy	500,000	500,000	500,000	500,000	500,000		
TOTAL ALL Functions	\$9,716,000	\$17,216,000	\$17,966,000	\$17,966,000	\$17,966,000		
Drug Resource Summary of Personnel	Drug Resource Summary of Personnel						
Total FTE (Direct Only)	57	78	78	78	78		

### **BIA Drug Initiative**

FY 2019 Enacted: \$17.966 million (Reflects increase from FY 2018)

Drug-related activity in Indian country is a major contributor to violent crime and imposes serious health and economic difficulties on Indian communities. Methamphetamine, heroin and prescription drugs continue to cause devastating effects on tribal families and communities.

The Drug Initiative is funded within the Law Enforcement sub activity, which is comprised of eight areas: Criminal Investigations and Police Services; Detention/Corrections; Inspections/Internal Affairs; Law Enforcement Special Initiatives; the Indian Police Academy; Tribal Justice Support; Program Management; and Facilities Operations and Maintenance. Within BIA's Law Enforcement sub activity, funding is provided for initiatives involving drug enforcement. Ensuring the safety of tribal communities is at the heart of Indian Affairs' law enforcement mission and fully supports the Secretary's commitment to the protection of Indian Country.

In FY 2019, \$14.966 million supported drug enforcement efforts that allowed BIA Drug Enforcement Officers (DEOs) to manage investigations and implement interdiction programs focused on reducing the effects of drugs and related crime in Indian Country. The activities performed by DEOs include: eradicating marijuana cultivation; conducting criminal investigations; directing criminal surveillance operations; infiltrating drug trafficking networks; confiscating illegal drug supplies; and establishing and maintaining cooperative relationships with other federal, state, local, and tribal law enforcement organizations in the efforts against drug-related activity. Although FY 2019 increases were received for new agents, actually getting new agents hired and trained will take until late FY 2020 to FY2021. New hires producing additional cases and seizures should be expected then.

During the year, \$1.0 million in funding continued to support the School Resource Officer (SRO) program, which has proven to be an important part of the OJS drug initiative. SROs provide

instruction in drug awareness and gang resistance, using nationally recognized and adopted curriculum to educate students on the negative aspects of illegal drug use and gang activity. The SRO program allows for the interaction of officers and students in the students' environment, where these SROs play key roles in identifying and providing a visual deterrent to potential threats of school violence.

Another \$1.0 million was used to fund the Victim/Witness Services (VWS) program, which provides needed support to cooperative witnesses and victims of violent and drug crimes. The protection of witnesses and victims is essential during drug investigations, and VWS can provide this needed attention to victims and witnesses at the local level when other resources are not available. Additionally, VWS staff provide guidance to tribes in developing their own VWS programs. VWS also includes an effort to assess existing victim/witness programs and expand them to all BIA law enforcement districts.

The 2019 budget also provided \$500,000 to support the Intelligence group tasked with intelligence gathering, reporting, and investigative support needed in all parts of Indian Country for assistance in drug investigations. With this component, national, regional, and local threat assessments can be established in real time and presented to law enforcement agencies working in or near Indian Country.

Approximately \$500,000 of the Indian Police Academy (IPA) budget plays a critical role in BIA drug enforcement efforts as well. Through the academy, BIA provides advanced training courses with content specific to drug enforcement for law enforcement officers that assist in drug investigations throughout the nation. Also, students that graduate from Basic Police and/or Criminal Investigator Training complete an introduction to drug awareness and investigations component. The requested funding will continue to address the highly visible drug crisis in Indian Country through anti-drug efforts and training for BIA and tribal officers.

### Performance Measure One: Number of Patrol Officers Receiving Drug Training

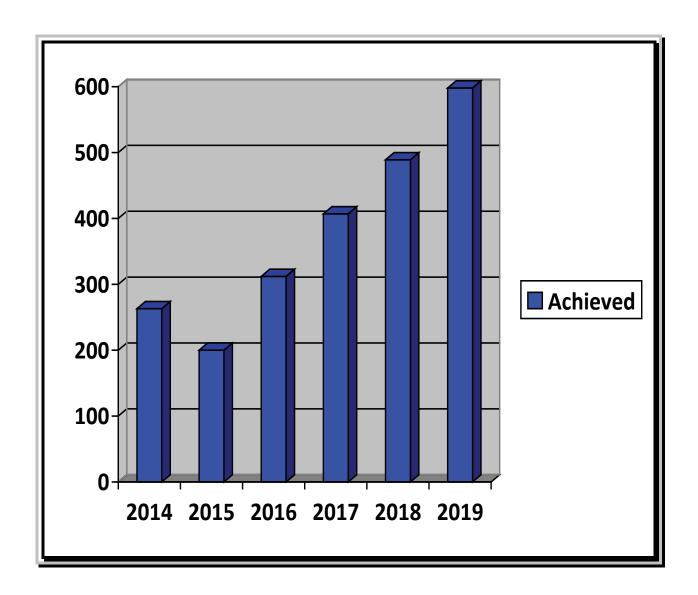
In FY 2019, a total of 598 law enforcement officers received drug training from BIA OJS, according to the IPA. This was a **22 percent increase** over FY 2018 figures.

One hundred twenty seven (127) students graduated from the IPA basic police program, known as the BIA Indian Country Police Officers Training Program, which includes an introduction to drug awareness and investigations. Twenty-eight (28) students graduated from FLETC's Criminal Investigator Training Program and the DOI Investigator Training Program, which also includes an introduction to drug awareness and investigations. An additional three hundred fourteen (379) students graduated from the patrol officer drug investigations program, the BIA-DEA-DOJ illicit drug trafficking program, and street crime training programs that include drug identification, evidence collection, and officer safety. An additional eight hundred forty seven (847) students graduated from opioid drug community training attended by service providers and tribal community members on location.

In FY 2019, BIA continued its preparedness efforts to address the opioid epidemic devastating many communities throughout the country. DDE continues to work with the Indian Health Service (IHS) and the Indian Police Academy to train current BIA law enforcement instructors to serve as training instructors on the use of Naloxone. Naloxone, also known as "Narcan," among other names, is a medication used to reverse the effects of opioids, especially in the case of an overdose. Naloxone is most commonly administered by law enforcement through a spray into the nasal passages, which

usually causes the drug to act within a minute and last up to 45 minutes. Every BIA officer/agent is supplied with Naloxone to carry while on patrol in the tribal communities they serve.

2014	2015	2016	2017	2018	2019
Achieved	Achieved	Achieved	Achieved	Achieved	Achieved
263	200	312	407	489	598



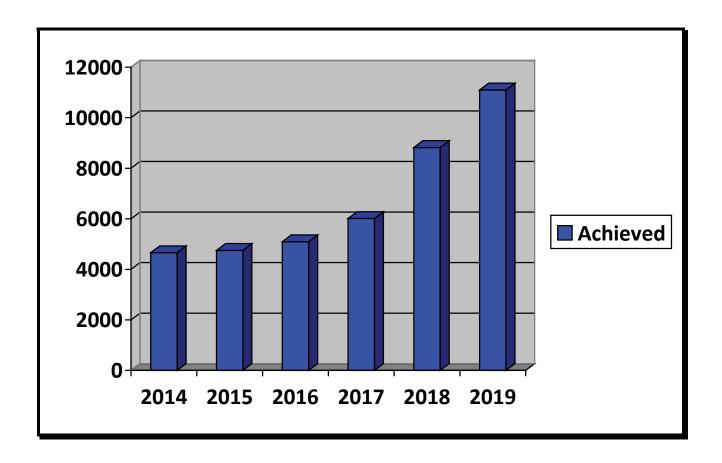
### Performance Measure Two: Percent increase in drug cases worked

In FY 2019, there has been an overall increase of approximately **26 percent** in the number of drug cases across all Indian Country law enforcement programs.

The number of drug cases reported and tracked is gleaned from data provided on monthly drug statistical reports provided by BIA and tribal police programs, the DOI IMARS system, and the DDE case log. Data provided by BIA and tribal police programs are maintained by OJS for monthly and annual submissions.

As the number of drug cases reported increases each year, Indian Country continues to see an increase in the use and distribution of illegal narcotics on reservations throughout the nation. The following information documents the cases worked by all Indian Country law enforcement programs (BIA, DDE, and tribal). The figures below demonstrate an overall increase of approximately 26 percent in the amount of drug cases worked in Indian Country in FY 2019.

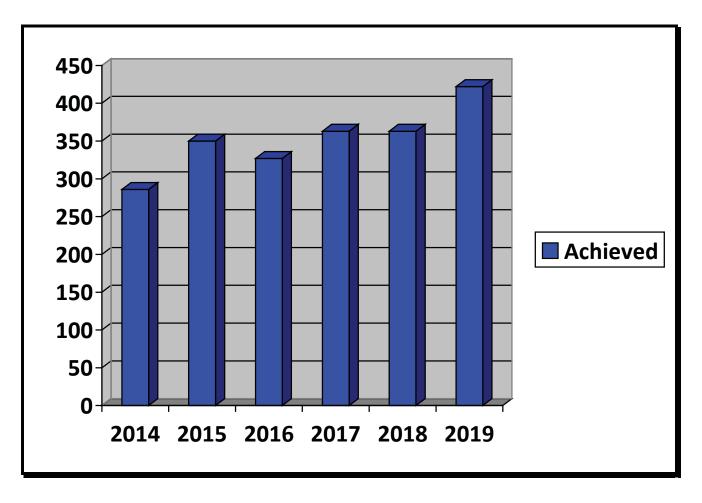
2014	2015	2016	2017	2018	2019	2020
Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Proposed
3,364	4,750	5,093	6,013	8,821	11,098	12,000



The following information documents the cases worked as reported specifically by **BIA DDE**. These figures demonstrate no overall change in cases worked in FY 2019.

DDE agents worked to identify and disrupt larger drug trafficking organizations targeting Indian Country communities. DDE's continued focus on building partnerships in FY 2019 has provided additional support to field programs and has shown success as supported by the overall **16 percent increase** in drug cases worked by all reporting BIA and tribal programs.

2014	2015	2016	2017	2018	2019	2020
Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Proposed
289	350	327	363	363	422	440



<u>Performance Measure Three</u>: Increase in the amount of cases closed by arrest, indictment or referral.

In FY 2019, BIA DDE achieved a **68 percent** case closure rate. Drug Agents experienced investigations with multiple suspects, causing cases to remain open longer than normal investigations.

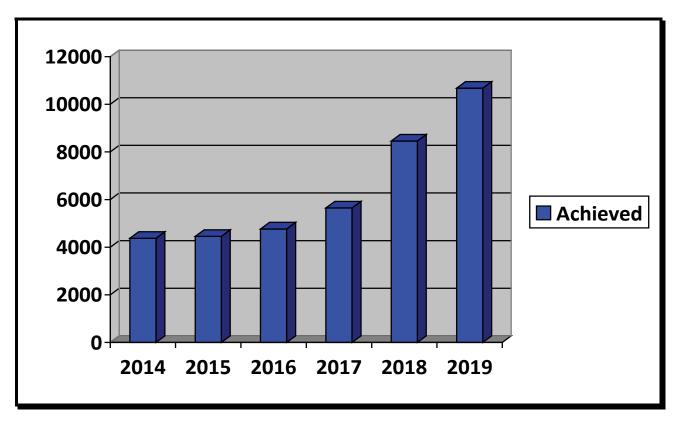
BIA DDE opened 422 cases in FY 2019, 285 of which were closed by arrest, indictment, or referral to another agency; 137 cases remain open and under active investigation. All DDE investigations are conducted within reservation boundaries or upon trust/allotted lands and hold a direct nexus to Indian Country. Of the 422 cases opened, 358 investigations, or 85 percent of DDE investigations, occurred within reservation boundaries or upon trust/allotted lands. The remaining 15 percent of investigations held a direct nexus to Indian country.

2014	2015	2016	2017	2018	2019	2020
Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Proposed
55%	70%	72%	72%	74%	68%	72%

The following information documents the cases worked as reported by **BIA Field Operations and tribal police departments**. These figures demonstrate an overall **increase** of approximately **26 percent** in cases worked in FY 2019. Based upon activity being conducted at the agency level, these numbers have shown a larger increase this fiscal year. More efficient reporting by the tribal programs on their monthly drug reports submitted to the BIA District Offices affected the amount of increase that was reported in FY 2019.

_	014	2015	2016	2017	2018	2019	2020
	nieved	Achieved	Achieved	Achieved	Achieved	Achieved	Proposed
4,	,374	4,457	4,766	5,650	8,458	10,676	10,800

(Total cases in IC 11,098 minus 442 DDE gives you FY2019 total)



\* The preceding information was obtained from the monthly statistical reports and IMARS database.

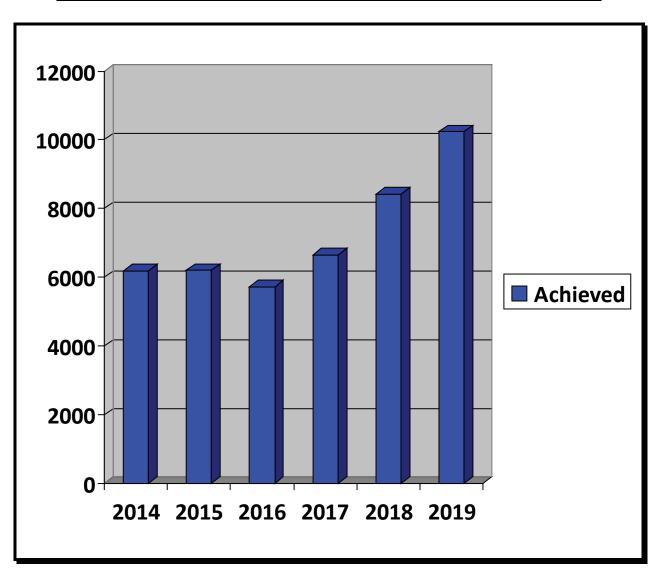
Information regarding the performance of the drug control efforts of BIA is based on agency 2010 Government Performance Results Modernization Act (GPRMA) documents and other information that measure the agency's contribution to the *Strategy*. The BIA OJS has historically experienced challenges gathering accurate data using systems developed by the BIA IT division or its contractors. To assist with data collection, in FY 2014, the BIA began using the newly developed IMARS system to capture crime data, which will include drug information for DDE. Although a new records management system was implemented by the department, the system continues to encounter challenges that do not meet the full need of BIA OJS.

To show an accurate portrayal of the serious drug issues occurring throughout Indian Country, BIA relies heavily on tribal and BIA field programs to submit their monthly drug statistics to a BIA Program Analyst stationed in each BIA District Office. Historically, tribal and BIA field program monthly drug report submissions have been minimal in some regions, creating a disparity between what is being reported to BIA and the actual number of drug offenses occurring in Indian Country. The data discussed below were gathered and verified from the IMARS database and the DDE case log.

### Percent increase in number of drug related arrests

DDE agents are responsible for managing drug investigations and providing direct technical assistance to tribal programs necessary to reduce the effects of drugs and drug-related crime in Indian Country. Through this technical assistance, BIA has formed partnerships with tribal law enforcement programs. Tribal drug-related arrests showed an **increase** of **22 percent** from the 2018 figures.

2014	2015	2016	2017	2018	2019	2020
Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	Proposed
6,193	6,198	5,723	6,647	8,417	10,241	10,300



\* The preceding information was obtained from the monthly drug reports.

### Performance Measure Four: Increase in the amount of drugs seized

The following information documents drug seizures accomplished by the combined efforts of DDE, BIA and tribal police programs. These figures submitted by the field programs demonstrate an overall **decrease** of approximately **65 percent** in total drugs seized by BIA law enforcement programs in FY 2019.

The decrease in seizures is primarily the result of a lower amount of bulk marijuana seized in FY2019.

Methamphetamine continues to be the most prevalent drug seized from drug operations in Indian Country. Field agents reported a steady amount of heroin being available in Indian Country and the abundance of methamphetamine being distributed by Mexican cartels has created lower pricing and an easier access to methamphetamines.

The below numbers depict the overall Indian Country drugs seized in FY 2019. The totals were derived from the OJS crime statistics database, which includes the monthly drug reports submitted by tribal programs, the DOI IMARS system, and the DDE case logs.

2019 All Submissions						
Increase in Amount of Drugs Seized	2014 Achieved	2015 Achieved	2016 Achieved	2017 Achieved	2018 Achieved	2019 Achieved
FY 2014,15,16,17, 18, 19 achieved totals represented in pounds:	26,830	26,419	16,607	12,900	62,601.49	22,149.6
Cocaine Powder	28.45	1.00	105.70	54.15	34.19	96.8
Cocaine Crack	.541	.758	.375	0.60	110.56	1.0
Heroin	3.68	5.74	67.83 *	16.49	47.89	42.1
MDMA (Ecstasy)	1.29	.002	29.16	0.29	.33	7.7
Meth Crystal	19.80	64.90	64.21	56.13	248.21	72.6
Meth Powder	11.20	0	20.93	34.88	264.46	475.7
Processed Marijuana	14,883	1,725	2,173	6,223.89	19,413.62	5460.9
Prescription Drugs Seized	101.03	96.58	96.21	8.0	53.66	106.2
Other Drugs Seized	84.86	72.29	70.78	409	227.63	15,220.6
Marijuana (# Plants = lbs)	11,697	24,453	13,979	6,097	42,201	666.1

#### MANAGEMENT ASSERTIONS

- 1. Performance reporting systems are appropriate and applied BIA OJS continues to experience challenges gathering accurate data from Tribal field programs. Information gathered for this report and the subsequent verification process again highlighted the need for an automated data collection system. In FY 2015, BIA began utilizing the new DOI IMARS for all BIA direct service programs. This new system allows BIA to collect and analyze crime statistics in an automated system and will reduce human error by not having to enter crime statistics multiple times.
- 2. Explanations for not meeting performance targets are reasonable BIA Drug Agents did show a slight increase in overall cases worked and should increase the cases next year with the additional drug agents being added to the program. BIA Drug Agents did show a slight decrease in case closure rate during the reporting period due to agents being pulled away from drug investigations to assist with 14 high priority Opioid Reduction Task Force Operations across Indian Country. There was also a decrease in the amount of drug seizures in FY2019. The decrease in seizures is primarily the result of a lower amount of bulk marijuana seized in FY2019.
- 3. Methodology to establish performance targets is reasonable and applied The targets were projected for FY 2019 based upon statistical data reviewed over the past four years in addition to the complexity of new drug trends identified within Indian Country.
- 4. Adequate performance measures exist for all significant drug control activities- The agency has four (4) acceptable performance measures that adequately cover each of the decision units. Each measure considers the intended purpose of the NDCP activity.

Charles addinates

Director, BIA Office of Justice Services

01/23/2020 Date



### United States Department of the Interior

BUREAU OF LAND MANAGEMENT Office of Law Enforcement and Security 1849 C Street NW, Room 5612 Washington, D.C. 20240



January 29, 2020

In Reply Refer To: 9260 (WO120) I

### Memorandum

To: Director,

Office of National Drug Control Policy

From: Jason O'Neal (A),

Director, Office of Law Enforcement and Security

Subject: Fiscal Year 2019 Accounting and Performance Summary Report

In accordance with ONDCP Circular: *National Drug Control Program Agency Compliance Reviews, October 22, 2019* (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 2019 drug control activities. Per the Circular, this report is being submitted in lieu of the "Detailed Accounting Submission and Performance Summary 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 Shannon Tokos, Deputy Director OLES, at 970-244-3168.

Attachment

### DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Office of Law Enforcement and Security

- Accounting and Performance Summary Report Fiscal Year 2019 -

### **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.

### **Budget Summary**

The Bureau's appropriation in the Resource Protection and Law Enforcement subactivity includes \$5.1 million for drug enforcement. The primary focus of these funds is the identification, investigation, and eradication of marijuana cultivation on public lands, and the rehabilitation of cultivation sites. Bureau costs associated with identifying, investigating, and eradicating marijuana cultivation; interdicting marijuana smuggling; and rehabilitating the public lands damage caused by these activities are scored as drug control.

Table of Drug Control Obligations – Fiscal Year 2019						
Drug Control Functions:						
Interdiction	408					
Investigations	4,080					
State and Local Assistance	612					
Total All Functions	5,100					
Budget Decision Unit:						
Resource Protection and Law Enforcement	5,100					
Total All Decision Units	5,100					
Drug Resource Personnel Summary						
Total FTE (Direct Only)	20					

### **Performance Summary**

In FY 2019, the BLM maintained its drug enforcement efforts at the same level as FY 2018. These efforts included 1) directing significant funding to address large scale marijuana cultivation activities by drug trafficking organizations on BLM-managed public lands in California 2) directing funding to public lands in Idaho, Nevada, Utah and other States as needed to combat the expansion of marijuana cultivation activities into those areas; and 3) directing funding to public lands in Arizona, California, and New Mexico to address resource impacts and public safety concerns stemming from marijuana smuggling activities occurring along the Southwest Border. Associated activities include:

- Conducting proactive uniformed patrol to deter and detect cultivation and smuggling activities.
- Focusing on investigations likely to result in the arrest of drug trafficking organization leadership.
- Utilizing federal, state, and local partners to conduct multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations.
- Collecting and disseminating intelligence among cooperating agencies to maximize interdiction, eradication, and investigative efforts.
- Establishing interagency agreements, partnerships, and service contracts with State and local law enforcement agencies to support counter-drug efforts on public lands.
- Partnering with non-law enforcement personnel/entities to rehabilitate cultivation and drug smuggling-related environmental damage in an effort to deter re-use of those areas.

The narrative below details FY 2019 performance data linked to marijuana seizures on public lands. This data was gathered and verified by the BLM, Office of Law Enforcement and Security (OLES) utilizing the Bureau's law enforcement incident databases (i.e., IMARS) and associated law enforcement counterdrug activity reporting mechanisms (e.g., Significant Incident Reports).

### **Performance Data - Quality Assurance**

Beginning in 1998, the BLM began utilizing an electronic incident reporting system (i.e., LAWNET) to document all public lands law enforcement incidents/activities; to include drug-related enforcement actions. In late 2011, the BLM migrated to the newly created Incident Management Analysis and Reporting System (IMARS) developed to provide a Department-wide information collection, analysis, and reporting system for incident information. Both of these electronic reporting systems, in combination with incident reporting, review, and data validation requirements established through agency policy, afford the BLM the ability to reliably capture and accurately report performance data.

### Performance Measure: Quantity of Marijuana Seized

Number of Marijuana Plants Seized on Public Lands <sup>1</sup>						
FY 2014 Achieved	FY 2015 Achieved	FY 2016 Achieved	FY 2017 Achieved	FY 2018 Achieved	FY 2019 Target	FY 2019 Achieved
225,291	319,511	149,101	155,502	254,010	259,090	590,558

Due to the scope of the marijuana cultivation problem on public lands and the large number of Federal, state, and local agencies involved in combatting the issue, it is difficult to establish a direct cause for the fluctuations seen in marijuana plant seizure statistics. However, several factors are believed to be affecting large scale marijuana cultivation on public lands, to include:

- Increasingly effective utilization of multi-agency investigation and eradication efforts targeting illegal activities at all levels of drug trafficking organizations.
- Active participation of BLM law enforcement personnel in federal, state, and local task forces, including California and Oregon HIDTA task forces, DEA-led Organized Crime Drug Enforcement Task Forces, and a number of state and local task forces. The BLM is also an active participant on county-level interagency teams focused on marijuana investigations.
- Prosecution of individuals at all levels of multi-state drug trafficking organizations is disrupting organizational structures and reducing their cultivation and distribution capabilities.
- Shifting weather patterns are altering the length of the growing season and the availability of natural water sources.
- Several states permit the lawful cultivation of marijuana on private lands for medicinal use. Quantities of this lawfully cultivated marijuana are known to be sold outside the legal medicinal market. This unlawful sale of legally cultivated marijuana may be altering levels of market supply and demand, thereby prompting fluctuations in the quantity of marijuana being cultivated on public lands. Similarly, an increase in the number of states that permit recreational use of marijuana may be creating a larger market and higher profit margins for marijuana cultivated at relatively low cost on public lands.

-

<sup>&</sup>lt;sup>1</sup>Data gathered through the IMARS incident reporting systems.

In addition to its direct marijuana cultivation interdiction efforts, the BLM also continues to place significant emphasis on deterring marijuana smuggling activities occurring on public lands situated within 100 miles of the Southwest Border. These smuggling activities, in addition to increasing the volume of marijuana trafficked within the U.S., are producing significant natural resource impacts and public safety concerns on public lands. These impacts are particularly prevalent within the Bureau's Ironwood Forest and Sonoran Desert National Monuments.

In FY 2019 a total of 16,702 pounds of processed marijuana were seized on public lands. While several factors are likely influencing the seizure levels, the Bureau's ongoing investment along the Southwest border is believed to be a significant factor in this success.

Processed Marijuana (lbs) Seized on Public Lands <sup>2</sup>						
FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 FY 2019 Achieved Achieved Achieved Achieved Achieved						
11,076	22,586	16,724	6,187	26,765	16,702	

#### **Management Assertions**

#### Performance Reporting System is Appropriate and Applied

Since 1998, the BLM has utilized electronic incident reporting systems (i.e., LAWNET, IMARS) to document all law enforcement incidents and activities on public lands, to include drug-related enforcement actions (e.g., marijuana cultivation incidents, marijuana plant seizures, processed marijuana seizures, etc.) These electronic reporting systems, in combination with incident reporting, review, and data validation requirements established through agency policy, afford the BLM the ability to reliably capture and accurately report performance data.

#### Methodology to Establish Performance Targets is Reasonable and Applied

Due to the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the U.S., in FY 2016 the ONDCP permitted the BLM to gauge performance using a single measure, specifically "number of marijuana plants seized." Given the significant year-to-year fluctuation seen in public lands marijuana seizures over the past six years, and the number of variables believed to affect large scale public lands cultivation operations, the BLM set its FY 2019 target at 2% over on the preceding fiscal year's seizure level.

<sup>&</sup>lt;sup>2</sup>Data gathered through the IMARS incident reporting systems.

#### **Adequate Performance Measures Exist for All Significant Drug Control Activities**

The BLM has traditionally utilized a single measure (i.e. marijuana seizures) to capture performance considered to be reflective of its respective National Drug Control Program activities. In light of the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the U.S., the ONDCP permits the BLM to gauge performance using a single measure, specifically "number of marijuana plants seized."

In accordance with ONDCP Circular: "National Drug Control Program Agency Compliance Reviews, October 22, 2019", the BLM is hereby submitting this alternative report of drug control funding and performance for FY 2019. Per the Circular, this report is being submitted in lieu of the standard "Detailed Accounting Submission and Performance Summary 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 (A)
Director, Office of Law Enforcement and Security

#### **ONDCP 2019 Accounting Report – National Park Service**

#### **FY 2019 RESOURCE SUMMARY**

<b>Prior Year Drug Control Obligation</b>	Amount	
*See detailed report below		
FTE		27
	\$3,450,000	

<sup>\*\*</sup>Full compliance with this circular constitutes an unreasonable reporting burden. Obligations reported under this section constitute the statutorily required detailed accounting. The amounts in the table below reflect actual NPS expenditures.

HUNTER BAILEY	Digitally signed by HUNTER BAILEY DN: cn=HUNTER BAILEY, o=WASO-LESES, ou=Investigative Services Branch, email=hunter_bailey@nps.gov, c=US Date: 2020.03.13 08:22:01 -04'00'

Title

Signature

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	635	500	300	345	600	420	3,450
Total Expenditures	200	450	635	500	300	345	600	420	3,450
Total FTE	1.5	3.5	5	4	2.4	2.8	4.6	3.2	27

Date

### Tab I



# Office of the Inspector General U.S. Department of Justice

OVERSIGHT ★ INTEGRITY ★ GUIDANCE



# Reviews of the Accounting of Drug Control Funds and Related Performance Fiscal Year 2019



#### **Executive Summary**

Reviews of the Accounting of Drug Control Funds and Related Performance Fiscal Year 2019

#### **Objectives**

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, 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, as well as the results of performance measures that show the outcomes associated with those expenditures. Additionally, the Office of the Inspector General (OIG) is required to express a conclusion about the reliability of the Department's submission.

#### **Results in Brief**

The OIG concluded that it is not aware of any material modifications that should be made to either the Department's Detailed Accounting Submissions or the Performance Summary Reports for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

#### Recommendations

No recommendations were provided in the report.

#### **Review Results**

The OIG performed an attestation review of the Department's ONDCP Detailed Accounting Submissions and the Performance Summary Reports for the fiscal year ended September 30, 2019, in accordance with the attestation standards contained in *Government Auditing Standards*. The purpose of our review was to obtain limited assurance about whether any material modifications should be made to the Detailed Accounting Submissions and Performance Summary Reports. Specifically, we:

- Obtained an understanding of the processes used to prepare the FY 2019 Detailed Accounting Submissions and Performance Summary Reports.
- Evaluated the reasonableness of the drug methodology process for detailed accounting submissions.
- Evaluated the reasonableness of the methodology used to report performance information for National Drug Control Program activities.
- Performed sufficient verifications of reported performance information to support our conclusion on the reliability of the assertions.

This report contains the attestation review reports of the Department's Assets Forfeiture Fund, Criminal Division, Drug Enforcement Administration, Federal Bureau of Prisons, Office of Justice Programs, Offices of the United States Attorneys, Organized Crime Drug Enforcement Task Forces Program, and United States Marshals Service's accounting of drug control funds and related performance for the fiscal year ended September 30, 2019. The Department of Justice components reviewed and reported approximately \$8.4 billion of drug control obligations and 29 related performance measures for fiscal year 2019.

#### REVIEWS OF THE ACCOUNTING OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE FISCAL YEAR 2019

#### **TABLE OF CONTENTS**

OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REPORTS, COMPONENT DETAILED ACCOUNTING SUBMISSIONS, AND COMPONENT PERFORMANCE SUMMARY REPORTS

Assets Forfeiture Fund	1
Criminal Division	12
Drug Enforcement Administration	26
Federal Bureau of Prisons	52
Office of Justice Programs	65
Offices of the United States Attorneys	101
Organized Crime Drug Enforcement Task Forces Program	113
United States Marshals Service	125

#### **ASSETS FORFEITURE FUND**



#### Office of the Inspector General

Washington, D.C. 20530

# Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Director Assets Forfeiture Management Staff U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Assets Forfeiture Fund (AFF) for the fiscal year ended September 30, 2019. The AFF's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of AFF management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

Kelly A Mchadle

# Assets Forfeiture Fund Detailed Accounting Submission



**U.S Department of Justice** 

Justice Management Division Asset Forfeiture Management Staff 145 N Street, N.E., Suite 5W.511 Washington, D.C. 20530 (202) 616-8000

#### Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, we assert that the AFF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- 1. 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.
- 2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- 3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2019.
- 4. The AFF did not have any ONDCP Fund Control Notices issued in FY 2019.

Craig Sabo, Acting Assistant Director Asset Forfeiture Management Staff

Date

OGOG PARMARY 2020

# U.S. Department of Justice Assets Forfeiture Fund Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

	Actua	FY 2019 al Obligations
Drug Obligations by Budget Decision Unit and Fund	ction:	
<b>Decision Unit: Asset Forfeiture</b>		
Investigations	\$	146.39
State and Local Assistance		76.37
<b>Total Asset Forfeiture</b>	\$	222.76
Total Drug Control Obligations	\$	222.76

# U.S. Department of Justice Assets Forfeiture Fund Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

#### Disclosure 1: Drug Methodology

The Assets Forfeiture Fund (AFF) was established to be a repository of the proceeds of forfeiture and to provide funding to cover the costs associated with forfeiture. These costs include, but are not limited to seizing, evaluating, maintaining, protecting, and disposing of an asset. Public Law 102-393, referred to as the 1993 Treasury Appropriations Act, amended title 28 U.S.C. 524 (c) and enacted new authority for the AFF to pay for "overtime, travel, fuel, training, equipment, and other similar costs of state or local law enforcement officers that are incurred in a joint law enforcement operation with a Federal law enforcement agency participating in the Fund." Such cooperative efforts have significant potential to benefit Federal, state, and local law enforcement efforts. The Department of Justice supports state and local assistance through the allocation of Asset Forfeiture Program (AFP) monies, commonly referred to as Joint Law Enforcement Program Operations Expenses. All AFP funded drug investigative monies for the Drug Enforcement Administration (DEA) and Organized Crime Drug Enforcement Task Forces (OCDETF) are allocated in the following program operations expenses: Investigative Costs Leading to Seizure, Awards Based on Forfeiture, Contracts to identify Assets, Special Contract Services, and Case Related Expenses. The funding provided for these particular program expenses are identified below and aid in the process of perfecting forfeiture.

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.

#### <u>Disclosure 2: Methodology Modifications</u>

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 2019 Financial Statements Audit, the Assets Forfeiture Fund /Seized Asset Deposit Fund (AFF/SADF) received an unmodified audit opinion. However, the *Independent Auditors' Report* noted one material weakness in the AFF/SADF's internal controls related to improvements needed in the controls over reporting budget related information presented in financial statement notes. Specifically, the auditors noted that improvements are needed in financial reporting processes including documenting the specific requirements for the supervisory review of the AFF/SADF financial statements, and reviewing financial statement amounts and disclosures to ensure they agree to the relevant crosswalks to financial statements. In addition, there is a need to implement effective risk assessment controls over new financial reporting requirements.

Asset Forfeiture Management Staff (AFMS) noted that the underlying transactions supporting the principal financial statements were complete and accurate and provided a sound basis for decision-making by management and the public who rely upon the financial information. Regarding the review of financial statements, AFMS and Justice Management Division Finance Staff will update procedures and revise edit checks used during Financial Statements Package management reviews.

#### Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers that affected drug-related budgetary resources.

#### Assets Forfeiture Fund Performance Summary Report



**U.S Department of Justice** 

Justice Management Division Asset Forfeiture Management Staff 145 N Street, N.E., Suite 5W.511 Washington, D.C. 20530 (202) 616-8000

#### Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, we assert that the AFF system of performance reporting provides reasonable assurance that:

- 1. The AFF uses the Unified Financial Management System (UFMS) to capture performance information accurately and UFMS was properly applied to generate the performance data.
- 2. The AFF met the reported performance targets for FY 2019.
- 3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. The AFF has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Craig Sabo, Acting Assistant Director Asset Forfeiture Management Staff

Date

SCOG PSANNACY SOJO

# U.S. Department of Justice Assets Forfeiture Fund Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

Performance Measure: Achieve Effective Funds Control as Corroborated by an Unmodified Opinion on the Assets Forfeiture Fund and Seized Asset Deposit Fund Annual Financial Statements.

The accomplishment of an unmodified audit opinion reflects favorably on the execution and oversight of the Assets Forfeiture Fund/Seized Asset Deposit Fund (AFF/SADF) by the Asset Forfeiture Management Staff and all the agencies that participate in the Department's Asset Forfeiture Program.

Decision Unit: Asset Forfeiture						
Performance Report & Target						
FY2016 FY2017 FY2018 FY2019 FY						FY 2020
Performance Measure:	Actual	Actual	Actual	Target	Actual	Target
Achieve effective funds control as corroborated by an unmodified opinion on the AFF/SADF financial statements.	100%	100%	100%	100%	100%	100%

#### Data Validation and Verification

Due to the nature of this performance measure, the standard procedure is to undergo an extensive annual financial statements audit. The results of the audit will indicate if the measure has been met. An unmodified audit opinion will result in satisfying the performance measure; therefore a modified audit opinion (i.e., qualified, disclaimer, or adverse) would indicate that the performance measure has not been met.

#### **CRIMINAL DIVISION**



#### Office of the Inspector General

Washington, D.C. 20530

# Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Assistant Attorney General Criminal Division U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Criminal Division (CRM) for the fiscal year ended September 30, 2019. The CRM's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of CRM management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

Kelly A Mchadle

# Criminal Division Detailed Accounting Submission



#### U.S. Department of Justice

#### Criminal Division

Office of Administration

Washington, D.C. 20530

#### **Detailed Accounting Submission** Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the CRM system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- 1. The drug methodology used by CRM to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
- 2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- 3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2019.
- CRM did not have any ONDCP Fund Control Notices issued in FY 2019.

Tracy Melton, Executive Officer

January 22, 2020

Date

#### U.S. Department of Justice Criminal Division Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

	_	Y 2019 Obligations
Drug Obligations by Budget Decision Unit and Function:		
Decision Unit: Enforcing Federal Criminal Laws		
Prosecution	\$	40.05
Total Enforcing Federal Criminal Laws	\$	40.05
Total Drug Control Obligations	\$	40.05

#### U.S. Department of Justice Criminal Division Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

#### 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)
- Human Rights and Special Prosecutions Section (HRSP)
- 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 2019, the Division's drug resources as a percentage of its overall actual obligations were 20.7%.

<u>Data</u> – All accounting information for CRM is derived from DOJ's Unified Financial Management System (UFMS).

<u>Financial Systems</u> – 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

CRM is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2019, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statement audit. The FY 2019 audit resulted in an unmodified opinion on the financial statements. However, the auditors reported one material weakness in which they noted that the emphasis placed on the Department's financial statement compilation and review processes had not achieved the level of rigor that is necessary to prepare timely and accurate financial statements in accordance with generally accepted accounting principles, and OMB Circular No. A-136, *Financial Reporting Requirements*.

CRM did not contribute directly to the material weakness identified above and this audit's findings did not impair CRM's ability to report complete and accurate obligation data in the FY 2019 Table of Drug Control Obligations.

#### Disclosure 4: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected the CRM's drug-related budgetary resources.

# Criminal Division Performance Summary Report



#### U.S. Department of Justice

#### Criminal Division

Office of Administration

Washington, D.C. 20530

#### Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the CRM system of performance reporting provides reasonable assurance that:

- CRM uses the Automated Case Tracking System (ACTS), the Division's
  Performance Dashboard, and the Extradition and Mutual Legal Assistance Tracking
  System to capture performance information accurately and these systems were
  properly applied to generate the performance data.
- Explanations offered for failing to meet a performance target and for any
  recommendations concerning plans and schedules for meeting future targets or for
  revising or eliminating performance targets is reasonable.
- 3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. CRM has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Sheerfiell	January 22, 2020		
Tracy Melton, Executive Officer	Date		

#### U.S. Department of Justice Criminal Division Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

#### Performance Measure 1: Number of New Drug-Related Investigatory Matters and Cases

The Criminal Division's Narcotic and Dangerous Drug Section (NDDS) investigates and prosecutes priority national and international drug trafficking groups, and other transnational criminal organizations. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies its new drug-related investigative matters and cases, which is a measure of the work achieved by NDDS during a fiscal year.

Number of New Drug-Related Investigative Matters and Cases							
FY 2016 Actual							
34	39	36	30	34	30		

In FY 2019, NDDS exceeded its target by 13%, opening a combined 34 new drug-related investigative matters and cases. NDDS set its FY 2019 targets for new drug-related prosecutions and investigations based on historical trend analysis, while taking into account the available litigation resources.

For FY 2020, NDDS' target for the number of new drug-related investigative matters and cases is 30. This target was set based on historical trend analysis, in addition to the assumption of staffing and resources similar to FY 2019.

#### Data Validation and Verification

All investigative matters and cases are entered and tracked in the Division's Automated Case Tracking System (ACTS). System and policy requirements for tracking litigation data in ACTS are captured in its manual. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs or their designee are required to validate in the Division's Performance Dashboard confirming that their Section's ACTS performance data are valid. A verification email is sent from the system to the Division's Executive Officer.

#### Performance Measure 2: Number of OCDETF Title III Wiretaps Reviewed

The Criminal Division's Office of Enforcement Operations (OEO) is responsible for reviewing and approving all applications submitted by federal prosecutors to intercept wire, oral, and electronic communications to obtain evidence of crimes. A subset is applications relating to investigations and prosecutions of Organized Crime Drug Enforcement Task Force (OCDETF) cases. These efforts support the National Drug Control Program activities: Disrupt Domestic

Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies its number of OCDETF Title III wiretaps reviewed, which is a measure of the drug-related Title III wiretap work achieved by OEO during a fiscal year.

Number of OCDETF Title III Wiretaps Reviewed							
FY 2016							
Actual	Actual   Actual   Target   Actual   Target						
2,398	2,382	2,138	2,225	2,220	2,225		

In FY 2019, OEO reviewed a significant number of OCDETF wiretaps. Of the total facilities reviewed by OEO during that time period, 75% were for OCDETF investigations. Although in FY 2019 OEO reviewed five (0.2%) fewer OCDETF Title III wiretaps than its projected target, OEO's workload is wholly dependent on the needs of the field. Federal prosecutors and agents continued to face numerous challenges associated with new and emerging communications technologies, most notably end-to-end encryption. End-to-end encryption has had a significant impact on the implementation of Title III wiretaps in numerous investigations. Notwithstanding these challenges, OEO has continued to be flexible and responsive to the needs of the field; most notably, OEO continued to increase the number of cases where they consulted with prosecutors on suppression motions and appellate matters involving wiretaps. OEO also provided a substantial number of trainings and outreach events to better serve the field, the vast majority of which were directly to OCDETF agents and prosecutors. In FY 2020, OEO will continue its strong commitment to providing effective and targeted training and outreach, producing a robust review of Title III materials along with efficient turnaround times, increasing the ability to provide support to the field for suppression motions and appellate matters, and keeping abreast of issues important to the preservation and successful use of this important investigative tool. For FY 2020, OEO's target for the number of OCDETF Title III wiretap reviews will remain at 2,225. This target was based on analysis of recently implemented Department initiatives and the resulting increase in staffing and resources in priority areas around the country and taking into account the increasing challenges facing the fielding regarding emerging technologies. OEO also relied on a review of historical trends and the assumption that staffing and resources within OEO remain similar to FY 2019 levels.

#### Data Validation and Verification

The total number of OCDETF Title III wiretaps reviewed is entered each quarter in the Division's Performance Dashboard. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs or their designee are required to validate in the Division's Performance Dashboard confirming that their Section's performance data are valid. A verification email is sent from the system to the Division's Executive Officer.

### <u>Performance Measure 3: Number of Drug-Related Mutual Legal Assistance Treaties</u> (MLAT) Requests Closed

The Criminal Division's Office of International Affairs (OIA) secures the return of fugitives from abroad and obtains from foreign countries evidence and other assistance (e.g., freezing of

accounts and forfeiture of funds) needed in criminal investigations and prosecutions. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies its drug-related MLAT requests closed, which is a measure of OIA's drug-related work during a fiscal year.

Number of	Number of Drug-Related Mutual Legal Assistance Treaties (MLAT) Requests						
	Closed						
FY 2016	FY 2016 FY 2017 FY 2018 FY 2019 FY 2019 FY 2020						
Actual	Actual Actual Target Actual Target						
407	444	313	N/A	417	N/A		

This measure cannot be targeted. This measure is a subset of an overall measure. The Division can target the entire measure, but is not able to target any specific subset of the measure.

#### Data Validation and Verification

All MLAT requests are tracked in OIA's Extradition and Mutual Legal Assistance Tracking System, including drug-related requests. The total MLAT requests closed is entered each quarter in the Division's Performance Dashboard. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs or their designee are required to validate in the Division's Performance Dashboard confirming that their Section's performance data are valid. A verification email is sent from the system to the Division's Executive Officer.

#### Performance Measure 4: Number of Drug-Related Extradition Requests Closed

The Criminal Division's Office of International Affairs (OIA) secures the return of fugitives from abroad, and obtains from foreign countries evidence and other assistance (e.g., freezing of accounts and forfeiture of funds) needed in criminal investigations and prosecutions. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies its drug-related extradition requests closed, which is a measure of OIA's drug-related work during a fiscal year.

Number of Drug-Related Extradition Requests Closed					
FY 2016	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020
Actual	Actual	Actual	Target	Actual	Target
168	449 <sup>1</sup>	409	N/A	318	N/A

This measure cannot be targeted. This measure is a subset of an overall measure. The Division can target the entire measure, but is not able to target any specific subset of the measure.

-

<sup>&</sup>lt;sup>1</sup> The FY 2017 value was previously reported, in error, as 168, and has been updated to reflect the actual total of 449. The correct FY 2017 number was reflected in previously-submitted supporting document, but not updated in the FY 2017 Performance Summary Report table.

#### Data Validation and Verification

All extradition requests are tracked in OIA's Extradition and Mutual Legal Assistance Tracking System, including drug-related requests. The total extradition requests closed is entered each quarter in the Division's Performance Dashboard. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs or their designee are required to validate in the Division's Performance Dashboard confirming that their Section's performance data are valid. A verification email is sent from the system to the Division's Executive Officer.

# DRUG ENFORCEMENT ADMINISTRATION



#### Office of the Inspector General

Washington, D.C. 20530

# Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Acting Administrator
Drug Enforcement Administration
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Drug Enforcement Administration (DEA) for the fiscal year ended September 30, 2019. The DEA's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of DEA management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

Kelly A Mchall

Drug Enforcement Administration Detailed Accounting Submission

# S Department of the state of th

# U. S. Department of Justice Drug Enforcement Administration

www.dea.gov

# Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the DEA system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- Obligations reported by budget decision unit are the actual obligations from the DEA's
  accounting system of record for these budget decision units.
- The drug methodology used by the DEA to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.
- The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- 4. 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 \$1 million.
- 5. DEA did not have any ONDCP Fund Control Notices issued in FY 2019.

Jeffrey W. Switon, Chief Financial Officer Date

# U.S. Department of Justice Drug Enforcement Administration Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

	FY 2019 Il Obligations
<b>Drug Obligations by Budget Decision Unit and Function:</b>	
Diversion Control Fee Account	
Intelligence	\$ 20.12
Investigations	\$ 451.24
Prevention	\$ 5.28
<b>Total Diversion Control Fee Account</b>	\$ 476.64
Domestic Enforcement	
Intelligence	\$ 143.81
Investigations	\$ 1,720.72
Prevention	\$ 3.52
<b>Total Domestic Enforcement</b>	\$ 1,868.05
International Enforcement	
Intelligence	\$ 26.66
International	\$ 449.10
Prevention	
<b>Total International Enforcement</b>	\$ 475.76
State and Local Assistance	
State and Local Assistance	\$ 10.74
<b>Total State and Local Assistance</b>	\$ 10.74
<b>Total Drug Control Obligations</b>	\$ 2,831.19
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 14.73

# U.S. Department of Justice Drug Enforcement Administration Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

## Disclosure 1: Drug Methodology

The mission of the Drug Enforcement Administration (DEA) is to enforce the controlled substances laws and regulations of the United States and to bring to the criminal and civil justice system of the United States or any other competent jurisdiction, those organizations, and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets. In carrying out its mission, the DEA is the lead agency responsible for the development of the overall Federal drug enforcement strategy, programs, planning, and evaluation. The DEA's primary responsibilities include:

- Investigation and preparation for prosecution of major violators of controlled substances laws operating at interstate and international levels;
- Management of a national drug intelligence system in cooperation with Federal, state, local, and foreign officials to collect, analyze, and disseminate strategic and operational drug intelligence information;
- Seizure and forfeiture of assets derived from, traceable to, or intended to be used for illicit drug trafficking;
- Enforcement of the provisions of the Controlled Substances Act and the Chemical Diversion and Trafficking Act as they pertain to the manufacture, distribution, and dispensing of legally produced controlled substances and chemicals;
- Coordination and cooperation with Federal, state and local law enforcement officials on mutual drug enforcement efforts and enhancement of such efforts through exploitation of potential interstate and international investigations beyond local or limited Federal jurisdictions and resources;
- Coordination and cooperation with other Federal, state, and local agencies, and with foreign
  governments, in programs designed to reduce the availability of illicit abuse-type drugs on
  the United States market through non-enforcement methods such as crop eradication, crop
  substitution, and training of foreign officials;
- Responsibility, under the policy guidance of the Secretary of State and U.S. Ambassadors, for all programs associated with drug law enforcement counterparts in foreign countries;
- Liaison with the United Nations, Interpol, and other organizations on matters relating to international drug control programs; and

 Supporting and augmenting U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations, as well as the use of illicit drugs as barter for munitions to support terrorism.

The accompanying Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018 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.

<u>Data</u>: 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.

<u>Financial Systems</u>: UFMS is the information system the DEA uses to track obligations and expenditures. *Obligations derived from this system can also be reconciled against enacted appropriations and carryover balances*.

Managerial Cost Accounting: The DEA uses allocation percentages generated by MCA to allocate resources associated with the DEA's four decision units to ONDCP's drug functions. The MCA model, using an activity-based costing methodology, provides the full cost of the DEA's mission outputs (performance costs). The table below shows the allocation percentages based on the DEA's MCA data.

The DEA Budget Decision Unit	Allocation	ONDCP Function
Diversion Control Fee Account	4.22%	Intelligence
	94.67%	Investigations
	1.11%	Prevention
Domestic Enforcement	92.11%	Investigations
	7.70%	Intelligence
	0.19%	Prevention
International Enforcement	94.40%	International
	5.60%	Intelligence
State and Local Assistance	100.00%	State and Local Assistance

<u>Decision Units:</u> 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.

<u>Full Time Equivalents (FTE):</u> One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA's Direct FTE total for FY 2019 including Salaries & Expenses (S&E) and Diversion Control Fee Account (DCFA) appropriations, was 7,829 through pay period 19, ending September 28, 2019.

<u>Transfers and Reimbursements:</u> 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.

# <u>Disclosure 2: Methodology Modifications</u>

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 2019 obligations from four decision units to ONDCP's drug functions.

### Disclosure 3: Material Weaknesses or Other Findings

DEA was included in the Department of Justice (DOJ) consolidated audit and did not receive a separate financial statement audit. The FY 2019 financial statements audit resulted in an unmodified opinion on the financial statements. However, the auditors reported one material weakness in which they noted that the emphasis placed on the Department's financial statement compilation and review processes had not achieved the level of rigor that is necessary to prepare timely and accurate financial statements in accordance with generally accepted accounting principles, and OMB Circular No. A-136, *Financial Reporting Requirements*.

DEA did not contribute directly to the material weakness identified above and this audit's findings did not impair DEA's ability to report complete and accurate obligation data in the FY 2019 Table of Drug Control Obligations.

# Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings in FY 2019.

The DEA had eight transfers during FY 2019 (see the attached Table of FY 2019 Reprogrammings and Transfers) with individual transfer amounts that matched or exceeded the \$1M threshold. There were seven internal transfers that met the \$1M threshold from DEA's prior year funded unobligated balances to DEA's S&E No-Year account for a total amount of \$73,014,507. DEA received one transfer from HIDTA that met the reporting threshold, in the amount of \$15,036,051. The other transfers did not meet the dollar criteria for reporting. Transfers under the Drug Resources by Function section in the Table of FY 2019 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 Submission Table of Reprogrammings and Transfers For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Tran	sfers-in	Transf	fers-out	Total
<b>Domestic Enforcement</b>					
Intelligence	\$	4 50	\$	-	\$ 4 50
Investigations		53 80		-	53 80
Prevention		0 11			 0 11
<b>Total Domestic Enforcement</b>	\$	58 41	\$	-	\$ 58 41
International Enforcement					
Intelligence	\$	0 81	\$	-	\$ 0 81
International		13 79			 13 79
<b>Total International Enforcement</b>	\$	14 60	\$	-	\$ 14 60
Total	\$	73 01	\$	-	\$ 73 01
High-Intensity Drug Trafficking Area (HIDTA) Transfers	\$	15 04	\$	-	\$ 15 04

Drug Enforcement Administration Performance Summary Report

# S Department of the state of th

# U. S. Department of Justice Drug Enforcement Administration

www.dea.gov

# Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the DEA system of performance reporting provides reasonable assurance that:

- DEA uses Priority Target Activity Resource Reporting System and Controlled Substance
  Act Database to capture performance information accurately and these systems were
  properly applied to generate the performance data.
- Explanations offered for failing to meet a performance target and for any
  recommendations concerning plans and schedules for meeting future targets or for
  revising or eliminating performance targets is reasonable.
- The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. DEA has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Jeffrey W. Sutton, Chief Financial Officer

Date

# U.S. Department of Justice Drug Enforcement Administration Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

# <u>Performance Measure 1: Number of Active International and Domestic PTOs Linked to CPOT Targets Disrupted or Dismantled</u>

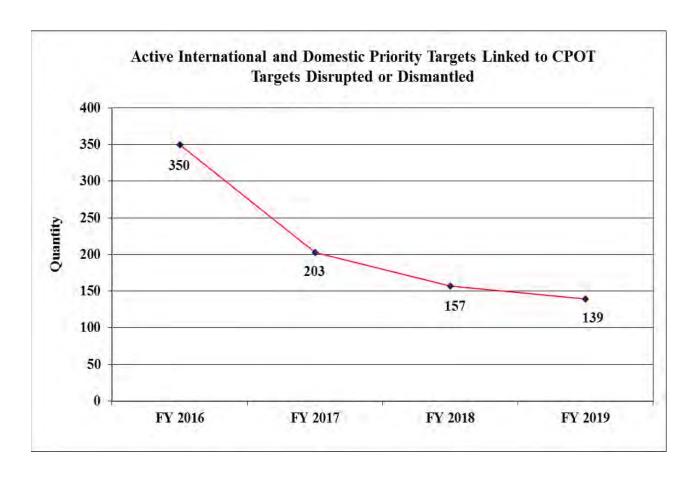
The Drug Enforcement Administration (DEA) is committed to bringing organizations involved in the growing, manufacturing, or distribution of controlled substances to the criminal and civil justice system of the U.S., or any other competent jurisdiction. To accomplish its mission, the DEA targets Priority Target Organizations (PTOs), which represent the major drug supply and money laundering organizations operating at the international, national, regional, and local levels that have a significant impact upon drug availability in the United States. Specifically, the DEA's PTO Program focuses on dismantling entire drug trafficking networks by targeting their leaders for arrest and prosecution, confiscating the profits that fund continuing drug operations, and eliminating international sources of supply. As entire drug trafficking networks from sources of supply to the distributors on the street are disrupted or dismantled, the availability of drugs within the United States will be reduced.

In its effort to target PTOs, the DEA is guided by key drug enforcement programs such as the Organized Crime Drug Enforcement Task Forces (OCDETF) program. The DEA, through the OCDETF program, targeted the drug trafficking organizations on the DOJ's FY 2019 Consolidated Priority Organization Target (CPOT) list – the "Most Wanted" drug trafficking and money laundering organizations believed to be primarily responsible for the Nation's illicit drug supply. The disruption or dismantlement of CPOT-linked organizations is primarily accomplished through multi-agency and multi-regional investigations directed by the DEA and the Federal Bureau of Investigation. These investigations focus on the development of intelligence-driven efforts to identify and target drug trafficking organizations that play a significant role in the production, transportation, distribution, and financial support of large-scale drug trafficking operations. The DEA's ultimate objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible.

Since the PTO Program is the DEA's flagship initiative for meeting its enforcement goals, including the enforcement goals of DEA's Diversion Control Program (DCP), the performance measures associated with this program are the most appropriate for assessing the DEA's National Drug Control Program activities. The performance measure, active international and domestic priority targets linked to CPOT targets disrupted or dismantled is the same measure included in the National Drug Control Budget Summary. DEA's resources are presented in the Table of Drug Control Obligations in the international and domestic enforcement decision units and Diversion Control Fee Account. Reimbursable resources from the OCDETF program contributed to these performance measures, but are not responsible for specifically identifiable performance.

Table 1: Measure 1

FY 2016 <sup>1</sup>	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020
Actual	Actual	Actual	Target	Actual	Target
350	203	157	185	139	195



In the first few years of the DEA's Priority Targeting Program, DEA repeatedly exceeded its annual targets for PTO disruptions $^2$  and dismantlements $^3$ . Prior to FY 2005, DEA in conjunction with DOJ components reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlements (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting,

<sup>&</sup>lt;sup>1</sup> Beginning FY 2016, DEA no longer included Disrupted Pending Dismantled (Cat Code Ds) in our actual and target totals.

<sup>&</sup>lt;sup>2</sup> A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

<sup>&</sup>lt;sup>3</sup> A dismantlement occurs when the organization's leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

DEA decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements, effective FY 2016.

In FY 2019, DEA disrupted or dismantled 139 PTOs linked to CPOT targets, which is 75.1 percent of its FY 2019 target of 185. DEA missed the target by 46 PTOs linked to CPOTs. In general, DEA's FY 2019 PTO performance (CPOT-linked and Not-linked) has been tempered by declining Special Agent work hours and the coincidental, albeit prudent, implementation of a new and plenary drug control strategy called, the Threat Enforcement Planning Process (TEPP).

DEA has opened decreasing number of PTO's over the last several years due in part to declining levels of Special Agents in its field offices. The number of Special Agents on-board<sup>4</sup> in FY 2016 and FY 2019 was 4,539 and 4,408, respectively; a net decrease of 3 percent or 131 Special Agents. Over the same period, DEA reported a corresponding reduction in the number of PTO investigations opened from 2,477 in FY 2016 to 1,858 in FY 2019. Similar disparities in the overall number of non-PTO cases initiated were reported during the same period. Nevertheless, since DEA started reporting significant declines in number of PTO investigations opened in FY 2017 (1,138), there have been successive increases in the number of PTOs opened in FY 2018 (1,634) and FY 2019 (1,858); increases of 496 or 44 percent and 224 or 14 percent, respectively. This is a clear indication that the impact of DEA's more stringent PTO initiation, classification and reporting criteria has been, in fact, temporal. Also based on historical trends, DEA anticipates that its PTO dispositions (disruptions/dismantlements) will rebound accordingly with greater validity and increased credibility as intermediate outcomes.

In support of PTO outcomes, the TEPP seeks to refine and develop DEA's drug control strategy and shift agency performance evaluations from a quantitative based approach to a more, qualitative approach that focuses on outcomes. The TEPP establishes agency wide, national level threat priorities that guide field enforcement strategies and the allocation of limited resources. Field offices, at the Division/Region level identify threats in their Area of Responsibility (AOR) that fall under DEA-wide National Level Threats, and document their efforts to mitigate those threats through enforcement planning, operations, and initiatives. Though still in its exploratory and deliberative phase, the FY 2019 TEPP identified four DEA-wide National Level Threats that are in alignment with the President's Executive Orders and the Departments FY 2018-2022 Strategic Plan:

- Transnational Criminal Organizations (organized crime/drug networks)
- Opioid Threats (e.g., Heroin, Fentanyl, controlled prescription drugs)
- Violent Domestic Drug Gangs (e.g., MS-13)
- Cyber Drug Threats

This comprehensive effort, rooted in performance-based management with tangible outcomes and resource efficiencies, is a testament to DEA's commitment to thwart drug-related threats that endanger the health and public safety of residents and communities throughout the United States.

41

<sup>&</sup>lt;sup>4</sup> Special Agents on board excludes new hires enrolled in Basic Agent Training (BAT).

In FY 2020, DEA anticipates that it will inaugurate a new era of coordinated enforcement and efficient resource management, supported by data analytics in a manner that adapts to new and evolving threats with an enhanced capability to report Agency-wide effectiveness in real time.

DEA routinely evaluates the performance of its programs as well as their functional capabilities to include its PTO case management and reporting system, PTARRS (Priority Target Activity Resource and Reporting System). DEA acknowledges that there may be a temporal fluctuation and nominal decline in performance (PTO cases initiated) with corresponding declines in PTO Dispositions reported (CPOT-linked and Not) during the implementation of any new strategy. In fact, DEA is presently reviewing/re-evaluating its PTO program and the utility of PTARRS in the context of the TEPP, PTO designations, and PTO reporting criteria to facilitate seamless integration and ensure that investigations are being re-aligned to includes evolving constructs and performance measures that address the aforementioned threats to our nation.

# Target Forecast Methodology

DEA's FY 2020 target for International and Domestic Dispositions for PTOs linked to CPOTs is 195. The target was computed using a cascading algorithm that utilizes prior year PTO disposition distributions (FY 2016 through FY 2019), as well as the metrics that account for the overall inventory of potential cases worked within the period of interest to include the current inventory of cases open and a projected estimate of new cases initiated during that same period. The final target estimate is correlated to and supported by a corresponding analysis of the work hours (Special Agent and Total Core) dedicated to PTOs as an aggregate and by subcategory – CPOT/Not, Disrupted/Dismantled [closed], Administratively Closed [closed] and Still Active [open].

# Data Validation and Verification

PTOs identified by the DEA's domestic field divisions and foreign country offices are tracked using the *Priority Target Activity Resource Reporting System* (PTARRS), an Oracle database used to track operational progress and the resources used in the related investigations (i.e., investigative work hours and direct case-related expenses). Through PTARRS, DEA assesses and links PTOs to drug trafficking networks, which address the entire continuum of the drug conspiracy. Once an investigation meets the criteria for a PTO, the investigation can be nominated as a PTO submission through PTARRS. PTARRS provides a means of electronically validating, verifying and approving PTOs through the chain of command, beginning with the case agent in the field and ending with the headquarters' Operations Division. The roles in the electronic approval chain are as follows:

### In the Field

 Special Agent – The Special Agent, Task Force Officer, or Diversion Investigator collects data on lead cases proposed as PTOs. They can create, edit, update, and propose a PTO record.

- Group Supervisor The Group Supervisor/Country Attaché coordinates and plans the allocation of resources for a proposed PTO. The Group Supervisor/Country Attaché can create, edit, update, propose, resubmit, and approve a PTO record.
- Assistant Special Agent in Charge
   — The Assistant Special Agent in Charge / Assistant Regional Director reviews the PTO proposed and approved by the Group Supervisor/Country Attaché, ensuring that all the necessary information meets the criteria for a PTO. The Assistant Special Agent in Charge / Assistant Regional Director can also edit, update, resubmit, or approve a proposed PTO.
- Special Agent in Charge The Special Agent in Charge /Regional Director reviews the proposed PTO from the Assistant Special Agent in Charge /Assistant Regional Director and is the approving authority for the PTO. The Special Agent in Charge /Regional Director can also edit, update, resubmit, or approve a proposed PTO.

## *At Headquarters*

- Operations Division (OC) The Section Chief of the Data and Operational
  Accountability Section (OMD), or his designee, is the PTO Program Manager, and is
  responsible for the review of all newly approved PTO submissions and their assignment
  to the applicable Office of Global Enforcement (OG) or Office of Financial Operations
  (FO) section. The PTO Program Manager may request that incomplete submissions be
  returned to the field for correction and resubmission. OMD is also responsible for
  tracking and reporting information in the PTO Program through PTARRS; and is the
  main point-of-contact for the PTO program and PTARRS related questions.
- OMD will assign PTO's based on the nexus of the investigation to organizations located in specific geographic areas of the world, or to specific program areas. After assignment of a PTO, the appointed HQ section becomes the point-of-contact for that PTO and division/region personnel should advise appropriate HQ section personnel of all significant activities or requests for funding during the course of the investigation. The Staff Coordinator (SC) assigned to the PTO will initiate a validation process to include a review for completeness and confirmation of all related linkages (e.g., CPOTs). In the unlikely event that the documentation submitted is insufficient to validate reported linkages; the SC will coordinate with the submitting office to obtain the required information.
- All PTO cases that are reported as disrupted or dismantled must be validated by OMD or the Organized Crime Drug Enforcement Task Force – OCDETF Section (OMO). OMD will validate all non-OCDETF related PTO cases and OMO will validate all OCDETF related cases. These disruptions and dismantlements are reported to the Executive Office of OCDETF via memo by OMO.

# <u>Performance Measure 2: Number of Active International and Domestic PTOs Not Linked</u> to CPOT Targets Disrupted or Dismantled

Although there is a primary emphasis on international and domestic PTOs linked to CPOT Targets, the PTOs not linked to CPOT targets disrupted or dismantled are just as important to DEA's mission. Specifically, the DEA's PTO Program focuses on dismantling entire drug

trafficking networks by targeting their leaders for arrest and prosecution, confiscating the profits that fund continuing drug operations, and eliminating international sources of supply. As entire drug trafficking networks from sources of supply to the distributors on the street are disrupted or dismantled, the availability of drugs within the United States will be reduced. The performance measure, active international and domestic priority targets not linked to CPOT targets disrupted or dismantled, is the same measure included in the National Drug Control Budget Summary.

In the first few years of the DEA's Priority Targeting Program, DEA repeatedly exceeded its annual targets for PTO disruptions<sup>5</sup> and dismantlements<sup>6</sup>. Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlements (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting, DEA decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements, effective FY 2016.

This decision by DEA will restore tracking end-points (dates closed) uniformly across all PTO case work analyzed and reported. In turn, this will enhance DEA's ability to identify, categorize and evaluate the efficacy of its PTO investigations and their corresponding resource allocations. In addition, limiting PTO case reporting to closed cases will result in efficiencies that augment statistical accuracy and as such, restore the ability to replicate reports now and into the future.

As of September 30, 2019, the DEA disrupted or dismantled 1,114 PTOs not linked to CPOT targets, which is 88.8 percent of its FY 2019 target of 1,254. DEA missed the target by 140 PTOs not linked to CPOTs. In general, DEA's FY 2019 PTO performance (CPOT-linked and Not-linked) has been tempered by declining Special Agent work hours and the coincidental, albeit prudent, implementation of a new and plenary drug control strategy called, the Threat Enforcement Planning Process (TEPP).

DEA's FY 2020 target for International and Domestic Dispositions for PTOs not linked to CPOTs is 1,281. The target was computed using a cascading algorithm that utilizes prior year PTO disposition distributions (FY 2014 through FY 2019), as well as the metrics that account for the overall inventory of potential cases worked within the period of interest to include the current inventory of cases open and a projected estimate of new cases initiated during that same period. The final target estimate is correlated to and supported by a corresponding analysis of the work hours (Special Agent and Total Core) dedicated to PTOs as an aggregate and by subcategory – CPOT/Not, Disrupted/Dismantled [closed], Administratively Closed [closed] and Still Active [open].

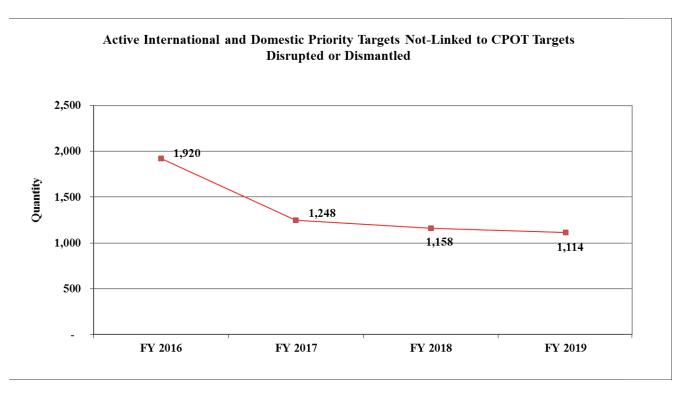
<sup>6</sup> A dismantlement occurs when the organization's leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

44

<sup>&</sup>lt;sup>5</sup> A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

Table 2: Measure 2

FY 2016 <sup>7</sup> Actual	FY 2017 Actual	FY 2018 Actual	FY2019 Target	FY 2019 Actual	FY 2020 Target
1,920	1,248	1,158	1,254	1,114	1,281



## Data Validation and Verification

PTOs not linked to CPOT targets use the same data validation and verification and PTOs linked to CPOT targets. They are in the same system, PTARRS, and identified with a code of "NO" for not linked.

### Performance Measure 3: Number of DCP-related PTOs Disrupted/Dismantled

The Diversion Control Program (DCP) has been working diligently to address the growing problem of diversion and prescription drug abuse. Criminal entrepreneurs have, over the past few years, leveraged technology to advance their criminal schemes and reap huge profits while diverting millions of dosages of powerful pain relievers such as hydrocodone. One such method was the use of rogue Internet pharmacies. Investigations involving Internet pharmacies required the DEA to retool and retrain investigators. Most of these investigations involved several jurisdictions and involved voluminous amounts of electronic data. Compounding the problem

\_

<sup>&</sup>lt;sup>7</sup> Beginning FY 2016, DEA no longer included Disrupted Pending Dismantled (Cat Code Ds) in our actual and target totals.

was the fact that many of the laws under which investigators worked were written years prior to today's technological advances.

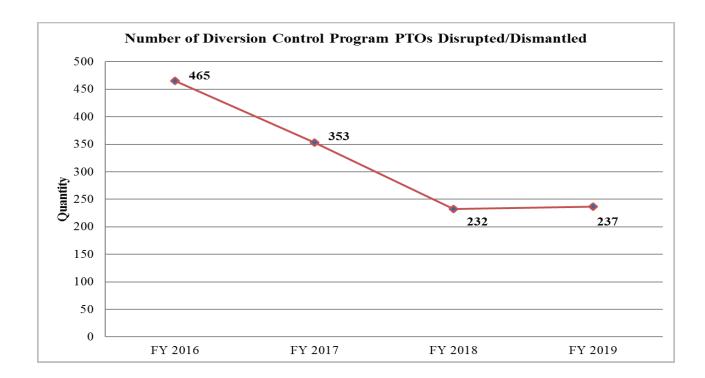
The DEA also developed and implemented the Distributor Initiative Program designed to educate and remind registrants of their regulatory and legal responsibilities. This program has been very successful and has moved the pharmaceutical industry to install new and enhanced measures to address their responsibilities and due diligence as registrants. Despite these efforts, the prescription drug abuse problem continues to be a major problem. Many state and local law enforcement agencies have devoted limited, if any resources, in the area of pharmaceutical diversion. To effectively attack this problem, the DEA, beginning in FY 2009, began establishing Tactical Diversion Squads (TDS) across the United States to tackle the growing problem of diversion and prescription drug abuse. These TDS groups, which incorporate Special Agents, Diversion Investigators and state and local Task Force Officers, have begun to show very successful investigations. Some of these investigations have resulted in multi-million dollar seizures. Beginning in FY 2011, DEA reported its DCP PTOs separately under the Diversion Control Fee Account. As a participant in the PTO program, the DCP is required to report PTOs linked to CPOT and not linked to CPOT. However, with the nature of the DCP, CPOT linkages are a rare event. Beginning in FY 2010, with the creation of Tactical Diversion Squads (TDS) in every domestic field division, the DCP began focusing on the identification of PTOs and their eventual disruption and dismantlement. As the DCP continues to work to fully staff its TDS groups, PTO performance is expected to increase.

**Table 3:** Measure 3

FY 2016 <sup>8</sup>	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020
Actual	Actual	Actual	Target	Actual	Target
465	353	232	246	237	252

-

<sup>&</sup>lt;sup>8</sup> Beginning FY 2016, DEA no longer included Disrupted Pending Dismantled (Cat Code Ds) in our actual and target totals.



In the first few years of the DEA's Priority Targeting Program, DEA repeatedly exceeded its annual targets for PTO disruptions<sup>9</sup> and dismantlements<sup>10</sup>. Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlements (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

For FY 2019, the DEA disrupted or dismantled 237 DCP PTOs linked/not linked to CPOTs, which is 96.3 percent of its FY 2019 target of 246. DEA missed the target by 9 PTOs linked/not linked to CPOTs. In general, DEA's FY 2019 PTO performance (CPOT-linked and Not-linked) has been tempered by declining Special Agent work hours and the coincidental, albeit prudent, implementation of a new and plenary drug control strategy called, the Threat Enforcement Planning Process (TEPP).

DEA's FY 2020 target for Diversion PTO Dispositions (CPOT linked or not) is 252. The target was computed using a cascading algorithm that utilizes prior year PTO disposition distributions (FY 2016 through FY 2019), as well as the metrics that account for the overall inventory of

<sup>&</sup>lt;sup>9</sup> A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

<sup>&</sup>lt;sup>10</sup> A dismantlement occurs when the organization's leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

potential cases worked within the period of interest to include the current inventory of cases open and a projected estimate of new cases initiated during that same period. The final target estimate is correlated to and supported by a corresponding analysis of the work hours (Special Agent and Total Core) dedicated to PTOs as an aggregate and by subcategory – CPOT/Not, Disrupted/Dismantled [closed], Administratively Closed [closed] and Still Active [open].

# Data Validation and Verification

DCP PTOs use the same data validation and verification system as the domestic and international PTOs linked and not linked to CPOT targets. They are in the same system, PTARRS, and identified by a 2000 series case file number and certain fee fundable GEO – Drug Enforcement Program (GDEP) drug codes.

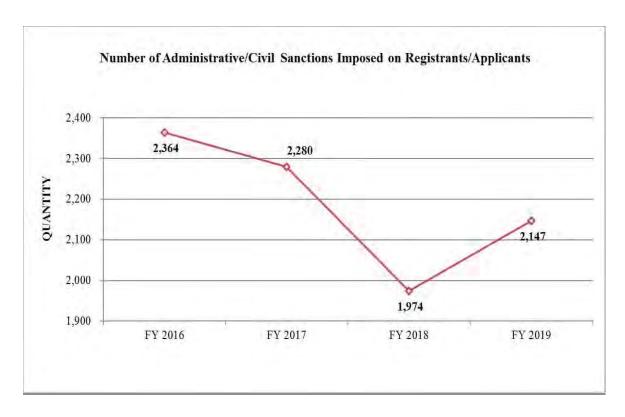
# <u>Performance Measure 4: Number of Administrative/Civil Sanctions Imposed on Registrants/Applicants</u>

In addition to the DCP's enforcement activities, a large component of the DCP is regulatory in nature. Specifically, DEA's DCP is responsible for enforcing the Controlled Substances Act (CSA) and its regulations pertaining to pharmaceutical controlled substances and listed chemicals. The DCP actively monitors more than 1.3 million individuals and companies that are registered with DEA to handle controlled substances or listed chemicals through a system of scheduling, quotas, recordkeeping, reporting, and security requirements. The DCP implements an infrastructure of controls established through the CSA and ancillary regulations. This system balances the protection of public health and safety by preventing the diversion of controlled substances and listed chemicals while ensuring an adequate and uninterrupted supply for legitimate needs. Because of this regulatory component, an additional performance measure, the number of Administrative/Civil Sanctions Imposed on Registrants/Applicants, is included in this report, which is indicative of the overall regulatory activities supported by the DCP.

Projections for the number of Administrative/Civil Sanctions levied are derived using a Microsoft Excel algorithm that compiles and computes a trend (usually linear) utilizing actual data from the preceding periods (e.g., fiscal years) and predicts data estimates for subsequent fiscal years.

**Table 4:** Measure 4

FY 2016	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020
Actual	Actual	Actual	Target	Actual	Target
2,364	2,280	1,974	2,095	2,147	2,095



For FY 2019, the DCP imposed 2,147 Administrative/Civil Sanctions on its registrants/applicants, which is 102.5 percent of its FY 2019 target of 2,095. For FY 2020, DCP's target for Administrative/Civil Sanctions is 2,095.

# Data Validation and Verification

The CSA Database (CSA2) is an Oracle database, which maintains all of the historical and investigative information on DEA registrants. It also serves as the final repository for punitive actions (i.e., sanctions) levied against CSA violators. During the reporting quarter, the domestic field divisions change the status of a registrant's CSA2 Master Record to reflect any regulatory investigative actions that are being conducted on the registrant. The reporting of the regulatory action by each field division is available on a real-time basis through the reporting system within CSA2, as the investigative status change occurs. The regulatory investigative actions that are collected in a real-time environment are as follows: letters of admonition/MOU, civil fines, administrative hearing, order to show cause, restricted record, suspension, surrender for cause, revocations, and applications denied.

The Diversion Investigators and Group Supervisors/Diversion Program Managers are tasked to ensure that timely and accurate reporting is accomplished as the registrant's investigative status changes. Group Supervisors/Diversion Program Managers have the ability to view the report of ongoing and completed regulatory investigation actions for their office/division at any time during the quarter or at the quarter's end, since the actions are in real-time.

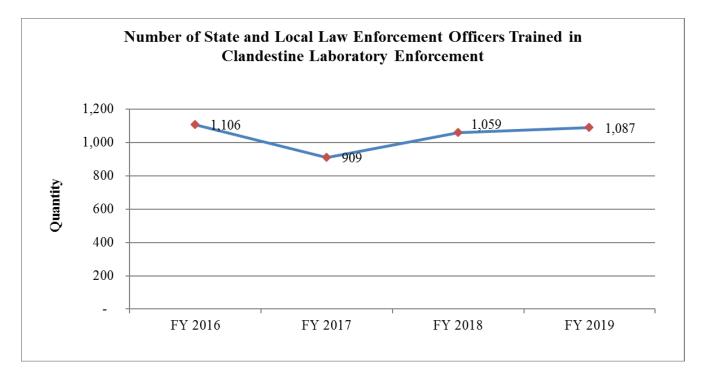
# <u>Performance Measure 5: Number of State and Local Law Enforcements Officers Trained in Clandestine Laboratory Enforcement</u>

The DEA supports state and local law enforcement with methamphetamine-related assistance and training, which allows state and local agencies to better address the methamphetamine threat in their communities and reduce the impact that methamphetamine has on the quality of life for American citizens.

One of the most critical, specialized training programs offered by DEA to state and local law enforcement officers is in the area of Clandestine Laboratory Training. Because state and local police encounter the clandestine laboratories with greater frequency, they are tasked to investigate, dismantle, and appropriately dispose of toxic materials, thereby protecting the public's health and safety.

**Table 5:** Measure 5

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target
1,106	909	1,059	900	1,087	900



During FY 2019, DEA conducted training for 1,087 state and local law enforcement officers, which is 120.8 percent of its FY 2019 target of 900. This includes State and Local Clandestine Laboratory Certification Training, Site Safety Training, Tactical Training, and Authorized Central Storage Program Training. The FY 2020 target is 900. Finally, in recognition of the

disparate distribution of its targets and actuals, DEA will utilize more robust analytical methods that use historical patterns to better forecast its annual targets.

# Data Validation and Verification

The DEA Training Academy receives quarterly training data from the field on training provided by Division Training Coordinators (DTC). The field data are combined with the data generated by the DEA's Training Academy for total training provided by the DEA. Data are tabulated quarterly and analyzed as part of an overall evaluation of programs process at the end of the fiscal year.

# FEDERAL BUREAU OF PRISONS



# Office of the Inspector General

Washington, D.C. 20530

# Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Director Federal Bureau of Prisons U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Federal Bureau of Prisons (BOP) for the fiscal year ended September 30, 2019. The BOP's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of BOP management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

Kelly A Mchalle

# Federal Bureau of Prisons Detailed Accounting Submission



### Federal Bureau of Prisons

Washington, DC 20534

# Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the BOP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- 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.
- The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2019.
- 4. BOP did not have any ONDCP Fund Control Notices issued in FY 2019.

10	
Konews L	June, Lu
Bradley T. Gross	, 0
Assistant Directo	r
for Administr	ation
Federal Bureau o	f Prisons
U.S. Department	of Justice

January 22, 2020

Date

# U.S. Department of Justice Federal Bureau of Prisons Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

a Maria		FY 2019
Drug Obligations by Budget Decision Unit and Function:		Actual Obligations
Decision Unit #1: Inmate Care and Programs		
Treatment	\$	85.39
Corrections	\$	1,181.13
<b>Total Inmate Care and Programs</b>	\$	1,266.52
Decision Unit #2: Institution Security and Adn	ninistra	tion
Corrections	\$	1,550.24
<b>Total Institution Security and Administration</b>	\$	1,550.24
Decision Unit #3: Contract Confinement		
Treatment	\$	30.44
Corrections	\$	393.55
Total Contract Confinement	\$	423.99
Decision Unit #4: Management and Administration		
Corrections	\$	100.83
<b>Total Management and Administration</b>	\$	100.83
Decision Unit #5: New Construction		
Corrections	\$	0.64
<b>Total New Construction</b>	\$	0.64
Decision Unit #6: Modernization and Repair		
Corrections	\$	56.86
Total Modernization and Repair	\$	56.86
Total Drug Control Obligations	\$	3,399.08

# U.S. Department of Justice Federal Bureau of Prisons Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

# 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 (45.2%).

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018. The table represents obligations incurred by the BOP for drug control purposes. The amounts are net of all reimbursable agreements.

<u>Data</u> - All accounting information for the BOP is derived from the Department of Justice (DOJ) Financial Management Information System 2 (FMIS2).

<u>Financial Systems</u> - The FMIS2 is the DOJ financial system that provides BOP obligation data. Obligations in this system can also be reconciled with the enacted appropriation and carryover balances.

# Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been changed from the prior year (FY 2018).

# Disclosure 3: Material Weaknesses or Other Findings

In FY 2019, there were no significant deficiencies or material weaknesses identified in OMB Circular A-123 testing or the *Independent Auditors' Report*.

# Disclosure 4: Reprogrammings or Transfers

BOP's FY 2019 obligations include all approved transfers and there were no reprogrammings (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 2019, \$1,147,432 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 eight PHS Full Time Equivalents in relations to drug treatment. Therefore, the allocated obligations were included in BOP's Table of Drug Control Obligations.

U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Submission
Table of Reprogrammings and Transfers
For Fiscal Year Ended September 30, 2019
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function: Decision Unit: Inmate Care and Programs	Rep	rogrammings	Transfers -in	7	ransfers-out	Total
Corrections Care and Programs	\$	0.00 \$	48.36	\$	(48.36)	\$ 0.00
<b>Total Inmate Care and Programs</b>	\$	0.00 \$	48.36	\$	-48.36	\$ 0.00
Decision Unit: Institution Security & Administration Corrections	\$	0.00 \$	0.00	\$	0.00	\$ 0.00
Total Institution Security & Administration	\$	0.00 \$	0.00	\$	0.00	\$ 0.00
Decision Unit: Contract Confinement Corrections	s	0.00 \$	0.00	s	0.00	\$ 0.00
Total Contract Confinement	\$	0.00 \$	0.00	\$	0.00	\$ 0.00
Decision Unit: Management & Administration Corrections	s	0.00 \$	0.00	\$	0.00	\$ 0.00
Total Management and Administration	\$	0.00 \$	0.00	\$	0.00	\$ 0.00
'Total	\$	0.00 \$	48.36	\$	-48.36	\$ 0.00

Federal Bureau of Prisons Performance Summary Report



# Federal Bureau of Prisons

Washington, DC 20534

# Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the BOP system of performance reporting provides reasonable assurance that:

- BOP uses SENTRY to capture performance information accurately and SENTRY was properly applied to generate the performance data.
- BOP, due to declining inmate population, missed the participant performance target for FY 2019.
- The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. BOP has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Bradley T. Gross,

January 22, 2020

Date

Assistant Director for Administration Federal Bureau of Prisons U.S. Department of Justice

# U.S. Department of Justice Federal Bureau of Prisons Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

# Performance Measure 1: Residential Drug Abuse Treatment Program Capacity and Enrollment

The BOP has established a performance measurement of monitoring the utilization of residential drug treatment program capacity as a performance indicator to measure effective usage of Drug Treatment Programs. This measure complies with the purpose of National Drug Control Program activity and is presented in support of the Treatment function.

The Violent Crime Control and Law Enforcement Act of 1994 requires the BOP to provide residential substance abuse treatment for 100% of "eligible" inmates by the end of FY 1997 and each year thereafter (subject to the availability of appropriations). The BOP established a performance measurement tracking the capacity of the Residential Drug Abuse Program (RDAP) to the number of participants at the end of each fiscal year. The objective is to monitor the utilization of RDAP capacity.

RDAP is offered at 73 BOP locations and one contract facility. Inmates who participate in these residential programs are housed together in a treatment unit that is set apart from the general population. Treatment is provided for a minimum of 500 hours.

Data on inmate capacity and participation is entered in the BOP on-line system (SENTRY). SENTRY Key Indicator reports provide the counts of inmates participating in the RDAP and subject matter experts enter and analyze the data.

In FY 2019, the BOP achieved a total capacity of 6,239 (capacity is based on number of treatment staff) that was available for the fiscal year and 5,940 actual participants (participants are actual inmates enrolled in the program at year end). The BOP missed the participants target due to the decline in the BOP inmate population.

For FY 2020, the capacity of BOP's RDAP is projected to be 6,239 with total participants of 5,940. This is based on past performance of FY 2019.

# Fiscal year-end Residential Drug Abuse Treatment Program Capacity and Enrollment

Fiscal Year	Capacity	Participants*	Utilization
FY 2016 Actual	7,833	7,410	95%
FY 2017 Actual	7,022	6,781	97%
FY 2018 Actual	6,719	6,435	96%
FY 2019 Target	6,719	6,435	96%
FY 2019 Actual	6,239	5,940	95%
FY 2020 Target	6,239	5,940	95%

<sup>\*</sup>Participants may exceed Capacity due to overcrowding and demand for the program.

# Data Validation and Verification

To ensure the reliability of the data, the capacity of the program and the utilization rate is monitored by subject matter experts at the end of each quarter using Key Indicator reports generated from SENTRY.

# OFFICE OF JUSTICE PROGRAMS



#### Office of the Inspector General

Washington, D.C. 20530

## Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Principal Deputy Assistant Attorney General Office of Justice Programs U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Office of Justice Programs (OJP) for the fiscal year ended September 30, 2019. The OJP's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of OJP management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

Kelly A Mchadle

Office of Justice Programs
Detailed Accounting Submission



#### U.S. Department of Justice

#### Office of Justice Programs

Washington, D.C. 20531

#### Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- Obligations reported by budget decision unit are the actual obligations from the OJP's accounting system of record for these budget decision units.
- The drug methodology used by the OJP to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.
- The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- 4. The data presented are associated with obligations against a financial plan that was revised during the fiscal year (FY) to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources in excess of \$1 million.
- 5. OJP did not have any ONDCP Fund Control Notices issued in FY 2019.

Leigh Benda, Chief Financial Officer

Date

01/22/2020

## U.S. Department of Justice Office of Justice Programs Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

rug Obligations by Budget Decision Unit and Function:	A	Y 2019 Actual gations <sup>1/</sup>
Decision Unit #1: Regional Information Sharing System Program	ф	12.00
State and Local Assistance Total, Regional Information Sharing System Program	<u> </u>	12.09 12.09
	<del></del>	
Decision Unit #2: Drug Court Program		
Treatment	\$	71.86
Total, Drug Court Program	\$	71.86
Decision Unit #3: Justice and Mental Health Collaborations		
Treatment	\$	4.77
Total, Justice and Mental Health Collaborations	\$	4.77
Decision Unit #4: Residential Substance Abuse Treatment Program		
Treatment	\$	28.13
Total, Residential Substance Abuse Treatment Program	\$	28.13
Decision Unit #5: Harold Rogers' Prescription Drug Monitoring Progra	am	
State and Local Assistance	\$	27.59
Total, Harold Rogers' Prescription Drug Monitoring Program	\$	27.59
Decision Unit #6: Second Chance Act Program		
Treatment	\$	23.83
Total, Second Chance Act Program	\$	23.83
Decision Unit #7: Project Hope Opportunity Probation with Enforcement	ent (HOPE)	
State and Local Assistance	\$	0.77
Total, Project Hope	\$	0.77

## U.S. Department of Justice Office of Justice Programs Detailed Accounting Submission Table of Drug Control Obligations – Continued For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

Drug Obligations by Budget Decision Unit and Function:		Y 2019 Actual igations <sup>1/</sup>
Drug Obligations by Budget Decision Chit and Function.		
Decision Unit #8: Byrne Criminal Justice Innovation Program		
State and Local Assistance	\$	5.24
Total, Byrne Criminal Justice Innovation Program	\$	5.24
Decision Unit #9: Edward Byrne Memorial Justice Assistance Grant Pr	ogram	
State and Local Assistance	\$	32.16
Total, Edward Byrne Memorial Justice Assistance Grant Program	\$	32.16
Decision Unit #10: Tribal Youth Program <sup>2/</sup>		
Prevention	\$	2.04
Total, Tribal Youth Program	\$	2.04
Decision Unit #11: Veterans Treatment Courts Program		
Treatment	\$	18.01
<b>Total, Veterans Treatment Courts Program</b>	\$	18.01
Decision Unit #12: Comprehensive Opioid Abuse Program		
Treatment	\$	143.27
Total, Comprehensive Opioid Abuse Program	\$	143.27
Decision Unit #13: Tribal Courts Program <sup>2/</sup>		
Treatment	\$	3.98
Total, Tribal Courts Program	\$	3.98
Decision Unit #14: Indian Alcohol and Substance Abuse Program <sup>2/</sup>		
Prevention	\$	16.01
Total, Indian Alcohol and Substance Abuse Program	\$	16.01

## U.S. Department of Justice Office of Justice Programs Detailed Accounting Submission Table of Drug Control Obligations – Continued For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

FY 2019 Actual Obligations <sup>1/</sup>

#### **Drug Obligations by Budget Decision Unit and Function:**

State and Local Assistance	\$ 13.36
Total, Forensic Support	\$ 13.36
Decision Unit #16: Opioid-Affected Youth Initiative	
Prevention	\$ 8.38
Total, Opioid-Affected Youth Initiative	\$ 8.38
Decision Unit #17: Mentoring for Youth Affected by the Opioid Crisis	
Prevention	\$ 15.34
<b>Total, Mentoring for Youth Affected by the Opioid Crisis</b>	\$ 15.34
tal Drug Control Obligations 3/	\$ 426.83

#### Notes:

- 1/ Actual obligations reflect direct program obligations plus estimated management and administration obligations.
- 2/ In FY 2019, Congress provided funding for OJP's tribal programs on the Tribal Assistance and Tribal Youth Program line items, rather than under the 7% discretionary tribal justice assistance set aside that was requested in the FY 2019 President's Budget. Therefore, OJP is reporting funding for programs supported by part of the funding provided by the Tribal Assistance line item under the Tribal Courts and Indian Alcohol and Substance Abuse programs. Funding for the Tribal Youth Program is appropriated to OJP as a carveout under the Delinquency Prevention Program.
- 3/ OJP is not reporting on the Enforcing Underage Drinking Laws program in this table, as there were no obligations for this programs in FY 2019.

## U.S. Department of Justice Office of Justice Programs Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

#### Disclosure 1: Drug Methodology

The mission of the Office of Justice Programs (OJP) is to provide leadership, resources and solutions for creating safe, just, and engaged communities. As such, OJP's resources are primarily targeted to providing assistance to state, local, and tribal governments. In executing its mission, OJP dedicates a significant level of resources to drug-related program activities, which focus on breaking the cycle of drug abuse and crime including: drug testing and treatment, provision of graduated sanctions, drug prevention and education, and research and statistics.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018. The OJP obligations reported for the Fiscal Year (FY) 2019 attestation reflect a revised drug budget methodology established by OJP and ONDCP in January 2018. This methodology was implemented to better reflect OJP contributions to the ONDCP drug strategy.

OJP's Office of the Chief Financial Officer, Budget Formulation and Appropriations Division is responsible for the development and presentation of the annual OJP ONDCP Budget. OJP's FY 2019 drug obligations have a total of 18 decision units identified for the National Drug Control Budget. No new decision units were added to during FY 2019.

The following programs are not being reported, as Congress did not enact the set aside in FY 2019: (1) the 7 percent Tribal Set Aside Coordinated Tribal Assistance Solicitation (CTAS) Purpose Area 3: Justice Systems and Alcohol and Substance Abuse, and (2) the 7 percent Tribal Set Aside - CTAS Purpose Area 9: Tribal Youth Program.

The 18 decision units in FY 2019 include the following:

- Regional Information Sharing System Program
- Drug Court Program
- Justice and Mental Health Collaborations
- Residential Substance Abuse Treatment Program
- Harold Rogers' Prescription Drug Monitoring Program
- Second Chance Act Program
- Project HOPE
- Byrne Criminal Justice Innovation Program
- Edward Byrne Memorial Justice Assistance Grant Program
- Tribal Youth Program
- Veterans Treatment Courts Program
- Comprehensive Opioid Abuse Program
- Tribal Courts Program

- Indian Alcohol and Substance Abuse Program
- Enforcing Underage Drinking Laws Program
- Forensic Support for Opioid and Synthetic Drug Investigations
- Opioid-Affected Youth Initiative
- Mentoring for Youth Affected by the Opioid Crisis

Of the 18 decision units listed above, OJP is not reporting obligations for the Enforcing Underage Drinking Laws Program in FY 2019, as the program has not been funded since FY 2014; however, there are drug-related transfers and recoveries for this program which are being reported.

In determining the level of resources used in support of the remaining 17 active budget decision units, OJP used the following methodology:

#### Drug Program Obligations by Decision Unit

Data on obligations, as of September 30, 2019, were gathered from the Department of Justice's (DOJ's) Financial Management Information System 2 (FMIS2). The total obligations presented for OJP are net of funds obligated under the Crime Victims Fund and Public Safety Officers' Benefits Program.

#### Management and Administration (M&A) Data

M&A funds are assessed at the programmatic level and obligations are obtained from FMIS2 (OJP's Financial System). The obligation amounts were allocated to each decision unit by applying the relative percentage of Full-Time Equivalents (FTE) assigned to the 17 active drug related decision units to the total M&A obligations for OJP.

Overall, OJP program activities support the two goals of the National Drug Control Strategy to: (1) curtail illicit drug consumption in America; and (2) improve the public health and public safety of the American people by reducing the consequences of drug abuse. Functionally, OJP program activities fall under the following functions: State and Local Assistance, Treatment, and Prevention. To determine the function amount, OJP used an allocation method that was derived from an annual analysis of each program's mission and by surveying program officials. OJP then applied that function allocation percentage to the obligations associated with each decision unit line item.

The Table of Drug Control Obligations amounts were calculated as follows:

Function: The appropriate drug-related percentage was applied to each decision unit

line item and totaled by function. For FY 2019, the 17 active budget

decision units had a function allocation of 100 percent.

Decision Unit: In accordance with the ONDCP Circulars and OJP's drug budget

methodology, 100 percent of the actual obligations for 7 of the 17 active

budget decision units are included in the Table of Drug Control

Obligations.

As specified in the current OJP drug budget methodology:

- Only 35 percent of the actual obligations for the Regional Information Sharing System Program are included;
- Only 15 percent of the actual obligations for Justice and Mental Health Collaborations are included;
- Only 35 percent of the actual obligations administered by the Bureau of Justice Assistance (BJA) and 12 percent of the actual obligations administered by the Office of Juvenile Justice and Delinquency Prevention (OJJDP) under the Second Chance Act are included;
- Only 30 percent of the actual obligations for the Byrne Criminal Justice Innovation Program and Tribal Youth Program are included:
- Only 10 percent of the actual obligations for the Edward Byrne Memorial Justice Assistance Grants Program are included;
- Only 80 percent of the actual obligations for the Tribal Courts Program and Indian Alcohol and Substance Abuse Program are included;
- Only 57 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; and
- Only 15 percent of total actual obligations for the Youth Mentoring Program are included to represent the activity under the Mentoring for Youth Affected by the Opioid Crisis decision unit.

#### Disclosure 2: Methodology Modifications

As noted above, OJP and ONDCP agreed to a revised drug budget methodology for OJP programs in January 2018. Since the implementation of this methodology in FY 2018, there have been no significant changes to OJP's methodology for reporting drug budget obligations.

Funding for OJP tribal programs in the FY 2019 attestation is reported under:

- The Tribal Courts and Indian Alcohol and Substance Abuse decision units (both of which are funded from the Tribal Assistance line item appropriation); and
- The Tribal Youth Program (which is funded as a carveout from the Delinquency Prevention Program line item appropriation).

#### <u>Disclosure 3: Material Weaknesses or Other Findings</u>

For FY 2019, OJP was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2019 *Independent Auditors' Report* revealed no material weaknesses or significant deficiencies directed at OJP. Additionally, the Department's assessment of risk and internal controls in FY 2019 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, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, OJP has provided the attached Table of Reprogrammings and Transfers. In FY 2019, for the reported decision units and programs, OJP had no reprogrammings, and \$68.9 million and \$97.8 million in drug-related transfers-in and transfers-out, respectively. The transfers-in amounts include OJP's FY 2019 prior-year recoveries associated with the reported budget decision units. The transfers-out amounts reflect the assessments for the 2.5 percent Research, Evaluation, and Statistics (RES) set aside and M&A assessments against OJP programs.

The RES 2.5 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 2019, Congress provided OJP the authority to assess programs for administrative purposes.

#### Disclosure 5: Other Disclosures

In FY 2019, OJP's drug-related programs were supported by \$38.7 million in unobligated resources carried forward from previous fiscal years.

# U.S. Department of Justice Office of Justice Programs Detailed Accounting Submission Table of Reprogrammings and Transfers For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

Orug Resources by Budget Decision Unit and Function:	Reprogra	mmings 1/	Tran	sfers-in 2/	Trans	sfers-out 3/		Total
Decision Unit #1: Regional Information Sharing System Program								
State and Local Assistance	\$		\$	34.51	\$	(0.93)	\$	33.58
Total, Regional Information Sharing System Program	\$		\$	34.51	\$	(0.93)	\$	33.58
Decision Unit #2: Drug Court Program								
Treatment	\$	-	\$	3.65	\$	(15.84)	\$	(12.19)
Total, Drug Court Program	\$	-	\$	3.65	\$	(15.84)	\$	(12.19)
Decision Unit #3: Justice and Mental Health Collaborations								
Treatment	\$	-	\$	1.00	\$	(4.97)	\$	(3.97)
Total, Justice and Mental Health Collaborations	\$	-	\$	1.00	\$	(4.97)	\$	(3.97)
Decision Unit #4: Residential Substance Abuse Treatment Progra	ım							
Treatment	\$	-	\$	0.89	\$	(2.77)	\$	(1.88)
Total, Residential Substance Abuse Treatment Program	\$		\$	0.89	\$	(2.77)	\$	(1.88)
Decision Unit #5: Harold Rogers' Prescription Drug Monitoring F	Program							
State and Local Assistance	\$	_	\$	1.01	\$	(2.77)	\$	(1.76)
Total, Harold Rogers' Prescription Drug Monitoring Program	\$	-	\$	1.01	\$	(2.77)	\$	(1.76)
Decision Unit #6: Second Chance Act Program								
Treatment	\$		\$	10.09	\$	(11.66)	\$	(1.57)
Total, Second Chance Act Program	\$	-	\$	10.09	\$	(11.66)	\$	(1.57)
Decision Unit #7: Project Hope Opportunity Probation with Enforce	romont (HC	)PF)						
State and Local Assistance	¢ (110	<i>J</i> 1 L)	•	0.39	Φ.	(0.37)	\$	0.02
Total, Project Hope	\$		\$	0.39	\$	(0.37)	\$	0.02
Delia II 4 40 December Children I and Children								
Decision Unit #8: Byrne Criminal Justice Innovation Program State and Local Assistance	¢		¢	1.56	ď	(2.06)	¢	(1.50)
	3		<u>\$</u>	1.56	<u>\$</u> \$	(3.06)	\$	(1.50)
Total, Byrne Criminal Justice Innovation Program	\$		Ф	1.50	<u> </u>	(3.06)	\$	(1.50)
Decision Unit #9: Edward Byrne Memorial Justice Assistance Gr	ant Progra	m	Φ.			(24.10)	4	(27. (2)
State and Local Assistance	\$		\$	6.76	\$	(34.18)	\$	(27.42)
Total, Edward Byrne Memorial Justice Assistance Grant Program	n \$	_	\$	6.76	\$	(34.18)	\$	(27.42)
Decision Unit #10: Tribal Youth Program 4/								
Prevention	\$	-	\$	1.00	\$	(0.46)	\$	0.54
Total, Tribal Youth Program	\$	-	\$	1.00	\$	(0.46)	\$	0.54
Decision Unit #11: Veterans Treatment Courts Program								
Treatment	\$		\$	0.83	\$	(2.65)	\$	(1.82)
Total, Veterans Treatment Courts Program	\$	-	\$	0.83	\$	(2.65)	\$	(1.82)
Decision Unit #12: Comprehensive Opioid Abuse Program								
Treatment	\$	-	\$	0.30	\$	(14.51)	\$	(14.21)
Total, Comprehensive Opioid Abuse Program	\$	-	\$	0.30	\$	(14.51)	\$	(14.21)
						<u> </u>	-	

## U.S. Department of Justice Office of Justice Programs

#### **Detailed Accounting Submission**

#### Table of Reprogrammings and Transfers – Continued For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

Decision Unit #13: Tribal Courts Program 4/					
Treatment	\$	-	\$ 2.21	\$ 	\$ 2.21
Total, Tribal Courts Program	\$	-	\$ 2.21	\$ -	\$ 2.21
Decision Unit #14: Indian Alcohol and Substance Abuse Prog	ram <sup>4/</sup>				
Prevention	\$	-	\$ 3.40	\$ -	\$ 3.40
Total, Indian Alcohol and Substance Abuse Program	\$	-	\$ 3.40	\$ -	\$ 3.40
Decision Unit #15: Enforcing Underage Drinking Laws Progr	am				
Prevention	\$	-	\$ 0.32	\$ -	\$ 0.32
Total, Enforcing Underage Drinking Laws Program	\$	-	\$ 0.32	\$ -	\$ 0.32
Decision Unit #16: Forensic Support for Opioid and Synthetic	Drug Investig	gations			
State and Local Assistance	\$	-	\$ 1.01	\$ (2.77)	\$ (1.76)
Total, Forensic Support	\$	-	\$ 1.01	\$ (2.77)	\$ (1.76)
Decision Unit #17: Opioid-Affected Youth Initiative					
Prevention	\$	_	\$ -	\$ (0.83)	\$ (0.83)
Total, Opioid-Affected Youth Initiative	\$	-	\$ -	\$ (0.83)	\$ (0.83)
Decision Unit #18: Mentoring for Youth Affected by the Opio	oid Crisis				
Prevention	\$	-	\$ -	\$ -	\$ -
Total, Mentoring for Youth Affected by the Opioid Crisis	\$	-	\$ -	\$ -	\$ -
otal	\$	_	\$ 68.93	\$ (97.77)	\$ (28.84)

#### Notes:

- 1/ There were no reprogrammings related to the programs displayed in this table in FY 2019.
- 2/ Transfers-in reflect FY 2019 recoveries for all programs, a Congressionally-directed \$34.51 million transfer from COPS to fund the Regional Information Sharing System program, \$225,000 from COPS and \$300,000 from OVW (totaling \$525,000) to support training and technical assistance under OJP's Tribal Courts program.
- 3/ Amounts reported for Transfers-out in FY 2019 include all funding assessed from these programs to support the 2.5% Research, Evaluation, and Statistics set aside and OJP Management and Administration.
- 4/ In FY 2019, Congress provided funding for OJP's tribal programs on the Tribal Assistance and Tribal Youth Program line items, rather than under the 7% discretionary tribal justice assistance set aside that was requested in the FY 2019 President's Budget. Therefore, OJP is reporting funding for programs supported by part of the funding provided by the Tribal Assistance line item under the Tribal Courts and Indian Alcohol and Substance Abuse programs. Funding for the Tribal Youth Program is appropriated to OJP as a carveout under the Delinquency Prevention Program.

Office of Justice Programs Performance Summary Report



#### U.S. Department of Justice

#### Office of Justice Programs

Washington, D.C. 20531

#### Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the OJP system of performance reporting provides reasonable assurance that:

- OJP uses the Grants Management System and Performance Management tool to capture
  performance information accurately and these systems were properly applied to generate
  the performance data.
- Explanations offered for failing to meet a performance target and for any
  recommendations concerning plans and schedules for meeting future targets or for
  revising or eliminating performance targets is reasonable.
- The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. OJP has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Leigh Benda, Chief Financial Officer

Date

#### U.S. Department of Justice Office of Justice Programs Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

#### **Performance Measures:**

The Office of Justice Programs (OJP), established by the Justice Assistance Act of 1984, supports a variety of criminal justice programs. Within OJP's overall program structure, specific resources dedicated to support the National Drug Control Strategy in fiscal year (FY 2019) were found in the:

- Drug Court Program (which includes Veterans Treatment Courts);
- Edward Byrne Memorial Justice Assistance Grant (JAG) program;
- Harold Rogers' Prescription Drug Monitoring Program (PDMP);
- Regional Information Sharing System (RISS) Program;
- Residential Substance Abuse Treatment (RSAT) Program;
- Second Chance Act (SCA) Program.
- Comprehensive Opioid Abuse Program (COAP);
- Tribal Victim Services Set Aside Program (formally CTAS) Purpose Areas Three and Nine;
- Mentoring for Youth Affected by the Opioid Crisis;
- Opioid-Affected Youth Initiative;
- Justice and Mental Health Collaboration Program (JMHCP); and
- Forensic Support for Opioid Synthetics Drug Investigations.

As required by the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, OJP is reporting on the following performance measures for this Performance Summary Report: <sup>1, 2</sup>

\_

OJP's January 25, 2018 agreement with ONCDP specified that the FY 2019 attestation would include new or existing measures with FY 2020 targets for: Drug Court, JAG, PDMP, RISS, RSAT, SCA, Comprehensive Opioid Abuse Program, , , Justice and Mental Health Collaboration, Tribal Victim Services Set Aside Purpose Areas 3 and 9 (previously known as CTAS), Mentoring for Youth Affected by the Opioid Crisis, Opioid-Affected Youth Initiative, , and Forensic Support for Opioid and Synthetics Drug Investigation. Since the Innovations in Community Based Crime Reduction Program (previously called the Byrne Criminal Justice Innovation Program) and Project Hope Opportunity with Enforcement Program currently do not have a drug related focus, OJP will not report on them unless their focus changes.

<sup>&</sup>lt;sup>2</sup> In accordance with this same agreement, OJP is not required to report performance measures for the following legacy programs/decision units: Enforcing Underage Drinking Laws program, Tribal Courts program, Indian Alcohol and Substance Abuse program, and Tribal Youth program.

- 1) <u>FY 2019 sunset measures</u>. OJP will report actuals on these measures and then sunset them. Starting in FY 2020, these measures will be replaced with new measures (see #2 below), which better represent the current programs.
  - Number of PDMP interstate solicited and unsolicited reports produced
  - Percent increase in RISS inquiries
  - Number of participants in the RSAT program
  - Number of participants in the SCA-funded programs
- 2) New FY 2020 measures. These measures are either for (1) new programs just added to the attestation, or (2) programs whose measures are sunsetted and need to be updated to reflect current objectives.
  - Percent of high-risk individuals receiving services and referrals who do not experience a subsequent overdose in six months (COAP)
  - Overall graduation rate of healing-to-wellness court/drug court participants (CTAS) Purpose Area Three and Nine
  - Percent of participants who were tested that did not test positive for the presence of alcohol or illicit substances during the reporting period (JMHCP)
  - Percent of grantees with a registered prescriber rate above 65% in their state PDMPs
  - Percent of conflicts identified from RISS
  - Percent of jail and prison based program participants that successfully completed the RSAT program
  - Percent of participant exits from the "Second Chance Act (SCA): Improving Reentry for Adults with Substance Use Disorders" program that are successful completions
  - Percent of youth who exhibited a reduction in substance use behavior (Mentoring for Youth Affected by the Opioid Crisis; Opioid-Affected Youth Initiative)
- 3) <u>FY 2020 continued measures</u>. OJP will continue to report on these measures because they are still relevant measures for the programs they represent.
  - Overall graduation rate of drug court participants<sup>3</sup>
  - Overall Graduation Rate of JAG-Funded Drug Court Program Participants<sup>4</sup>

Although appropriated as separate line items, OJP combines the Drug Courts and Veterans Treatment Courts Program funding together under one solicitation. Grantees may choose in their applications to serve veterans. As of September 30, 2019, Veterans Treatment Court participants accounted for approximately 17% of all individuals enrolled in treatment court programs funded by OJP.

<sup>&</sup>lt;sup>4</sup> Please note: BJA changed the name of this measure in FY 2019, but it measures the same data as previously reported under completion rate for individuals participating in Drug-related JAG programs.

#### Performance Measure 1: Overall Graduation Rate of Drug Court Participants

**Decision Unit: Drug Court Program and Veteran's Treatment Courts** 

**Table 1: Overall Graduation Rate of Drug Court Participants (BJA)** 

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020
	Actual	Actual	Actual	Target	Actual	Target
ı	56%	48%	52%	55%	55%	55%

The Bureau of Justice Assistance (BJA) administers the Office of Justice Program's (OJP's) adult Drug Court program. The Drug Court program was established in 1995 to provide financial and technical assistance to states, state courts, local courts, units of local government, and federally recognized tribal governments in order to establish new or enhance fully operational drug treatment courts. Drug courts employ an integrated mix of treatment, drug testing, recovery support services, judicial and community supervision, and incentives and sanctions to break the cycle of substance abuse and crime. There are over 3,100 drug courts and problem-solving courts operating throughout all 50 states and U.S. territories.<sup>5</sup>

Based on the success of the drug court model, a number of problem-solving courts are also meeting the critical needs of various populations. These problem-solving courts include Family Dependency Treatment, Driving While Intoxicated/Driving Under the Influence, Reentry, Tribal Healing-to-Wellness, Co-Occurring Disorders, and Veterans Treatment among others.

OJP has a long history of providing resources to break the cycle of drugs and violence by reducing the demand, use, and trafficking of illegal drugs. According to the National Victimization Survey, the number of violent crime victims age 12 and older was 3.3 million in 2018, an increase in 0.6 million from 2015.<sup>6</sup> About 29 percent of victims believed the offender was under the influence of drugs or alcohol when the offense occurred.<sup>7</sup> Further, 58 percent of state prisoners and 53 percent of sentenced jail inmates met the criteria for drug dependence based on the criteria specified in the *Diagnostic and Statistical Manual of Mental Disorders (DSM-IV)* according to a study of inmates in 2007-2009.<sup>8</sup>

Drug Courts. U.S. Department of Justice, Office of Justice Programs. May 2018. NCJ 238527. https://www.ncjrs.gov/pdffiles1/nij/238527.pdf.

<sup>&</sup>lt;sup>6</sup> Morgan, R.E & Oudekerk B. A. 2019. *Criminal Victimization*, 2018. U.S Department of Justice, Office of Justice Programs, Bureau of Justice Statistics. <a href="https://www.bjs.gov/index.cfm?ty=pbdetail&iid=6686">https://www.bjs.gov/index.cfm?ty=pbdetail&iid=6686</a>

United States Department of Justice. Office of Justice Programs. Bureau of Justice Statistics. National Crime Victimization Survey, Concatenated File, 1992-2014. Ann Arbor, MI: Inter-university Consortium for Political and Social Research [distributor], 2016-03-01. <a href="https://doi.org/10.3886/ICPSR36143.v1">https://doi.org/10.3886/ICPSR36143.v1</a>

Bronson, Jennifer, et. al. 2017. Drug Use, Dependence, and Abuse Among State Prisoners and Jail Inmates, 2007-2009. U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Statistics. NCJ250546. <a href="https://www.bjs.gov/content/pub/pdf/dudaspji0709.pdf">https://www.bjs.gov/content/pub/pdf/dudaspji0709.pdf</a>

BJA funds *Enhancement* grants to established drug courts to enhance their operations, and *Implementation* grants for new drug courts, including Veterans Treatment Courts.

BJA's key performance metric for Drug Courts is the overall graduation rate of program participants. For drug courts, the graduation ceremony marks the completion of the program for offenders, signifying that they have met the requirement of the program, including drug treatment, and that the participants refrained from continued drug use. The graduation rate of program participants is calculated by dividing the number of graduates during the reporting period (numerator) by the total number of participants exiting the program, whether successfully or unsuccessfully, during the reporting period (denominator).

The target for FY 2019 was 55 percent, which was achieved. Thus, the FY 2020 target is set at 55%.

#### Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

## Performance Measure 2: Overall Graduation/Completion Rate of JAG-Funded Drug Court Program Participants<sup>2</sup>

**Decision Unit: Edward Byrne Memorial Justice Assistance Grant Program** 

Table 2: Overall Graduation/Completion Rate of JAG-Funded Drug Court Programs

FY 2016	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020
Actual	Actual	Actual	Target	Actual	Target
62%	63%	47%	59%	46%	59%

<sup>&</sup>lt;sup>9</sup> JAG funding is not exclusively used towards drug prevention. Approximately 22% percent of JAG funding is linked to a drug nexus and this measure best captures that connection.

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) program, administered by BJA, is the leading source of Federal justice funding to state and local jurisdictions. The JAG program focuses on criminal justice related needs of states, tribes, and local governments by providing these entities with critical funding necessary to support a range of program areas, including law enforcement; prosecution and courts; crime prevention and education; corrections and community corrections; drug treatment and enforcement; program planning, evaluation, and technology improvement; crime victim and witness initiatives; and mental health program and related law enforcement and corrections programs.

The activities conducted under each program area are broad and include such activities as hiring and maintaining staff, overtime for staff, training, and purchasing equipment and/or supplies. More specifically, the drug treatment and enforcement program activities include treatment (inpatient or outpatient) as well as clinical assessment, detoxification, counseling, and aftercare.

The overall graduation rate of JAG-funded drug court program participants measure captures the percentage of total participants who are able to complete all drug treatment program requirements. This measure supports the mission of the National Drug Control Strategy because these programs provide care and treatment for those who are addicted.

The FY 2019 actual graduation rate provided by 22 grantees is 46 percent. The success rate is below the target because one-third of the total participants in drug-related JAG programs are from one jurisdiction with an 11% success rate. If that outlier is removed from the calculation, the success rate for the remaining JAG programs is 62%, which exceeds the target for 2019.

#### Data Validation and Verification

BJA implemented the PMT to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to GMS. Program managers review the reports. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and through desk and on-site monitoring of grantee performance.

#### <u>Performance Measure 3: Number of PDMP Interstate Solicited and Unsolicited Reports</u> <u>Produced 10</u>

**Decision Unit: Harold Rogers Prescription Drug Monitoring Program** 

Table 3: Total number of interstate solicited reports produced

CY 2016	CY 2017	CY 2018	CY 2018	CY 2019	CY 2019
Actual	Actual	Target	Actual	Target	Actual
63,840,510	132,430,898	8,600,000	130,086,361	8,600,000	

Table 4: Total number of interstate unsolicited reports produced

CY 2016	CY 2017	CY 2018	CY 2018	CY 2019	CY 2019
Actual	Actual	Target	Actual	Target	Actual
3,033,593	903,010	16,208	2,037,807	1,000,000	Available March 2020

The Harold Rogers Prescription Drug Monitoring Program (PDMP), administered by BJA, enhances the capacity of state PDMPs to collect controlled substance prescription data through a centralized database so that doctors can make more informed prescribing decisions and regulatory and law enforcement agencies may proactively investigate suspect subscriber practices and "doctor shopping" activity. The objectives of the PDMP are to build a data collection and analysis system at the state level; enhance existing programs' ability to analyze and use collected data; facilitate the exchange of collected prescription data among states; and assess the efficiency and effectiveness of the programs funded under this initiative. Funds may be used for planning activities, system improvements, or PDMP data analysis and data sharing projects.

In 2020, BJA will implement a new performance indicator: the percentage of state PDMPs with a registered prescriber's rate above 65 percent. State PDMPs are working toward increasing the utilization of the system by prescribers and end users for things such as solicited and unsolicited reports (i.e., reports that may indicate suspicions or questionable prescribing practices). As the prescriber registration rates increase, PDMP's utility across all users also increases which ultimately may improve prescribing practices.

BJA exceeded the CY 2018 target in terms of the number of solicited reports queried from PDMPs partially due to a couple factors. First, there is broadening awareness on the part of prescribers and pharmacists about the need to check to their states PDMP before prescribing opioids. Secondly, many states have passed laws in the last few years requiring prescribers to query the PDMP before dispensing specific drugs. For example, in 2012,

<sup>&</sup>lt;sup>10</sup> Per the January 25, 2018 agreement with ONDCP, these measures will be replaced with a new measure for CY 2020. The new measure is <u>Percent of Grantees with a registered prescriber rate above 65% in their PDMPs</u>. The CY 2020 target for this measure is TBD.

only 12 PDMPs (27 percent) mandated PDMP usage; by 2018, 42 PDMPs (79 percent) mandated use of the PDMP for prescribers. About half of the reports came from a few states including Ohio, Pennsylvania, Illinois, Washington, Arizona, and Michigan, many in states with documented opioid issues.

In terms of unsolicited reports, exceeding the target is partially attributed to state law changes. The number of PDMPs with statutory authority to provide unsolicited reports doubled from 24 in 2010 to 48 in 2018 (91 percent; or nearly all of the operating PDMPs). For both solicited and unsolicited reports, it should be noted that these targets are difficult to predict due to a great deal of variance in the data. As such, this measure is being phased out, in place of a measure that better reflects the growing utility of PDMPs in FY 2020.

#### Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

### Performance Measure 4: Percent Increase in Regional Information Sharing Systems (RISS) Inquiries for the RISS Program<sup>11</sup>

**Decision Unit: Regional Information Sharing Systems** 

**Table 5: Percent increase in RISS inquires** 

FY 2016	FY 2017	FY 2018	FY 2019	FY 2019
Actual	Actual	Actual	Target	Actual
-8%	-6%	-1%	3%	11%

The Regional Information Sharing Systems (RISS) Program, administered by BJA, provides secure information and intelligence sharing capabilities and investigative support services that directly affect law enforcement's ability to successfully resolve criminal investigations and prosecute offenders, while providing the critical officer safety event deconfliction necessary to keep our law enforcement community safe.

<sup>11</sup> Per the January 25, 2018 agreement with ONDCP, this measure will be replaced with a new measure in FY 2020. The new measure is Percent of Conflicts Identified. The FY 2020 target for this measure is 10 percent.

RISS consists of six regional centers and the RISS Technology Support Center (RTSC). RISS supports an all-crimes approach; not all inquiries to RISS resources are related to narcotics investigations; however, RISS's resources and services support narcotics investigations based on requests for services and inquiries from the field. Numerous narcotics investigators benefit from the RISS Criminal Intelligence Database (RISSIntel), investigative resources, the RISS Officer Safety Event Deconfliction System (RISSafe), and analytical and research services. RISS has strong relationships with the National Narcotics Officers' Associations' Coalition (NNOAC), Bureau of Alcohol, Tobacco, Firearms and Explosives' (ATF), and the High Intensity Drug Trafficking Areas (HIDTA). RISS continues to partner with the HIDTAs and the Drug Enforcement Administration in the areas of event and target deconfliction.

The goal for the number of RISS inquiries in FY2019 was 5,185,151. The actual number of inquiries for the year were 5,768,542, which exceeded the target by 11 percent.

In FY 2020, this measure is being phased out and replaced by a new measure related to RISSafe. RISSafe is an officer safety event deconfliction system that identifies possible conflicts between agencies and officers. Authorized users enter law enforcement events into the RISSafe system, and notification of conflicts is immediately provided to the affected parties. In May 2015, RISSafe was integrated with the two High Intensity Drug Trafficking Area (HIDTA) event deconfliction systems: Case Explorer and SAFETNet. Since its inception, more than 2,000,000 operations have been entered into RISSafe, resulting in more than 483,000 identified conflicts. Without the identification of these conflicts, officers may have interfered with another agency's or officer's investigation, links between cases may have been lost, or officers or citizens may have been unintentionally hurt or killed.

BJA will report on the increases in the number of RISSafe events submitted, which is an indicator of increased usage by agencies and officers. The deconfliction partners are diligently working to educate agencies and officers of the importance of deconfliction ultimately to increase usage. Deconfliction maximizes and safeguards resources, improves communications and collaboration among the law enforcement community, and helps to save lives and solve cases.

The target for FY 2020 is 10 percent. There was a slight increase in RISSafe conflicts in FY2019 (28,029) from 25,610 in FY2018. With continued efforts by the event deconfliction partners to advance and increase usage of the event deconfliction systems, additional submissions resulted in additional conflicts. This indicates improved communications among agencies and officers, increased awareness of deconfliction tools, and refined usage of RISSafe's capabilities (i.e., decreased radius to pinpoint fewer but focused results).

#### Data Validation and Verification

Data for the RISS Program are not reported in the PMT. The six RISS Centers and the RISS Technology Support Center (RTSC) report their performance information via the RISS Quarterly Database housed at the Institute for Intergovernmental Research (IIR), the technical assistance provider grantee for the RISS Program. IIR reviews and aggregates the data to develop a RISS-wide quarterly report as well as generating RISS Center reports (as part of IIR's reporting requirement for its grant requirements). The RISS Centers submit their individual reports to BJA through GMS. At the end of the fiscal year, performance data for RISS is provided in quarterly reports and a FY-end report via IIR for the RISS program.

Program managers obtain data from these reports, telephone contact, and grantee meetings as a method to monitor IIR, the six RISS Centers, and the RTSC for grantee performance. Data are validated and verified through a review of grantee support documentation obtained by program managers.

#### <u>Performance Measure 5: Number of participants in the RSAT for State Prisoners</u> Program<sup>12</sup>

**Decision Unit: Residential Substance Abuse Treatment Program** 

**Table 6: Number of Participants in the RSAT Program** 

CY 2016	CY 2017	CY 2018	CY 2018	CY 2019	CY 2019
Actual	Actual	Target	Actual	Target	Actual
24,029	19,628	25,000	22,684	22,000	Available March 2020

The Residential Substance Abuse Treatment (RSAT) for State Prisoners Program, administered by BJA and created by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103- 322), assists state and local governments in developing and implementing residential substance abuse treatment programs (individual and group treatment activities) in correctional and detention facilities. The RSAT program must be provided in residential treatment facilities, set apart from the general correctional population, focused on the substance abuse problems of the inmate, and develop the inmate's cognitive, behavioral, social, vocational, and other skills to solve the substance abuse and related problems.

<sup>&</sup>lt;sup>12</sup> Per the January 25, 2018 agreement with ONDCP, this measure will be replaced with a new measure for CY 2020. The new measure is <u>Percent of Jail and Prison Based Program Participants that Successfully Complete the RSAT Program.</u> The CY 2020 target for this measure is TBD.

The RSAT program formula grant funds may be used for three types of programs; jail-based programs, residential (e.g., prison-based) programs, or aftercare/programs services. For all programs, at least 10 percent of the total state allocation is made available to local correctional and detention facilities, provided such facilities exist, for either residential substance abuse treatment programs or jail-based substance abuse treatment programs as defined below.

The three types of programs are: 1) residential substance abuse treatment programs provide individual and group treatment activities for offenders in facilities that are operated by state correctional agencies; 2) jail-based substance abuse programs provide individual and group treatment activities for offenders in jails and local facilities; and 3) an aftercare component that requires states to give preference to providers who will offer aftercare services to program participants. Aftercare services must involve coordination between the correctional treatment program and other human service and rehabilitation programs, such as education and job training, parole supervision, halfway houses, self-help, and peer group programs that may aid in rehabilitation.

The target for CY 2018 was 25,000 participants; however, the actual number of participants in CY 2018 was 22,684, so the goal was not met by 2,316 participants (9%). The missed target is due to reduced funding from 2016 and 2017, so State Administrating Agencies awarded fewer and/or lower amounts of subawards. (Note that awards are made in the fiscal year of the appropriation and can be expended during the following 3 years for a total of 4 years.) As in previous years, the reduction in funding has resulted in smaller caseloads. This number is also impacted by states ability to provide matching funds. Note that this effect should phase out since FY 2018 and FY 2019 appropriations are significantly higher than previous years. So BJA anticipates larger subawards will result in increasing the number of participants in RSAT programs.

Note: This measure is being phased out and replaced by a new measure that is less dependent upon appropriations. Rather, the new measure will reflect how the programs successfully operate.

In FY 2020, BJA will report on a metric that is less sensitive to year-to-year funding fluctuations. A larger portion of RSAT grant funding is used for jail-based and residential programs. Thus, BJA will report on the percentage of jail- and prison-based program participants that successfully complete the RSAT program. A requirement of the RSAT program is for participants to participate at least 3-months (jail programs) to 6-months (residential programs). Consequently, this is a measure of program retention and fidelity to substance use treatment models while ensure a minimum level of dosage/retention, which when combined with certain evidence-based practices show improved outcomes among participants.<sup>13</sup>

-

<sup>&</sup>lt;sup>13</sup> Advocates for Human Potential. (2017) *Promising Practices Guidelines for Residential Substance Abuse Treatment*. Advocates for Human Potential. Sudbury, MA. BJA-funded.

#### Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

#### Performance Measure 6: Number of Participants in SCA-funded Programs<sup>14</sup>

**Decision Unit: Second Chance Act Program** 

**Table 7: Number of participants in SCA-funded programs** 

FY 2016	FY 2017	FY 2018	FY 2019	FY 2019
Actual	Actual	Actual	Target	Actual
6,222	5,352	5,042	4,356	2,538

The Second Chance Act of 2007 (Public Law 110-199) reformed the Omnibus Crime Control and Safe Streets Act of 1968. Subsequently, the First Step Act of 2018 included the reauthorization of the Second Chance Act (SCA) of 2007. The SCA is an investment in programs proven to reduce recidivism and the financial burden of corrections on state and local governments, while increasing public safety. The bill authorizes grants to units of state, local, or tribal government, and non-profit community organizations to provide employment and housing assistance, substance use treatment, and other services that help people returning from prison and jail to safely and successful reintegrate into the community. The legislation provides support to eligible applicants for the development and implementation of comprehensive and collaborative strategies that address the challenges posed by reentry to increase public safety and reduce recidivism.

\_

<sup>&</sup>lt;sup>14</sup>Per the January 25, 2018 agreement with ONDCP, this measure will be replaced with a new measure in FY 2020. The new measure is <u>Percent of participant exits from the SCA Improving Reentry for Adults with Substance Use Disorders program that are successful completions</u>. The FY 2020 target for this measure is 60 percent.

While BJA funds several separate SCA grant programs, for the purposes of both the sun-setting and the new performance measures, data from only the Improving Reentry for Adults with Substance Use Disorders Program<sup>15</sup> grant program (previously known as the SCA Co-Occurring Program) has been reported since FY 2017. This SCA grant program provides funding to units of state, local, or tribal government, and non-profit community organizations to implement or expand treatment in both pre- and post-release programs for individuals with substance use disorders.

The total number of participants in the Improving Reentry for Adults with Substance Use Disorders Program (previously known as the SCA Co-Occurring program) is a measure of the grant program's goal of helping those previously incarcerated successfully reenter the community following criminal justice system involvement, by addressing their substance use and related challenges. The total number of participants measure demonstrates how many of those reentering the community have participated in substance use-focused reentry services. <sup>16</sup>

The FY 2019 actual values fell 42% below the target. This program has shifted focus away from primarily using resources toward providing programming to re-entering individuals and toward building up institutional capacity and organization-wide processes (for instance, screening and potential assessments of all inmates within a correctional facility for substance use and mental health issue, improving organization-wide corrections and supervision practices, etc.). The cohort of grantees that actively worked with reentering participants enrolled in FY 2019 was smaller in number than in previous years. A large portion of grantees were in early stages focused on planning rather than implementation of programs. A few key grantees with larger participant pools in previous fiscal years completed using grant funding around the end of the previous fiscal year.

In FY 2020, a new measure will replace the sun-setting *total number of participants* measure. The new measures is: percent of participants successfully completed the co-occurring program. This is a process measure, which generally indicatives the grantee's ability to implement programs providing substance use and mental health services for participants. While there may be baseline factors or other factors potentially out of the control of the grantee that affect the percentage of program exits that are successful (e.g. relocations and case transfers, deaths and serious illnesses, etc.), the measure is an initial indicator for how well grantees engage participants and ensure completion of program requirements.

<sup>16</sup> Ple

<sup>&</sup>lt;sup>15</sup> This Improving Reentry for Adults with Substance Use Disorders program was previously known as the Second Chance Act Improving Reentry for Adults with Co-Occurring Substance Abuse and Mental Illness (or SCA Co-Occurring) in FY 2019).

<sup>&</sup>lt;sup>16</sup> Please note: Because participants sometimes receive services in more than one reporting period, it is possible that some participants will have been counted more than once in the total number of participants who received services.

#### Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

## New programs that OJP will report measures for in the FY 2020 ONDCP Drug Attestation (per January 25, 2018 agreement with ONDCP)

### <u>Performance Measure 1: The Percent of High-Risk Individuals Receiving Services and Referrals through COAP who do not Experience a Subsequent Overdose in Six Months</u>

FY 2020 Target: 90%

#### **Decision Unit: Comprehensive Opioid Abuse Program**

The goal of the Comprehensive Opioid Abuse Program (COAP) is to reduce the misuse of opioids and the number of overdose fatalities. The COAP program started in FY 2017 to combat the number of overdose deaths from opioids. According to the Centers for Disease Control and Prevention (CDC), approximately 91 Americans die every day from an opioid related overdose, 17 which led the President of the United States to declare the epidemic a public health crisis. 18

The key performance metric for the COAP program is the percent of individuals receiving services and referrals through COAP who do not experience a subsequent overdose in six months. The proposed measure is directly related to the goal of COAP, which is to help reduce opioid abuse and subsequent overdose events. Individuals who have experienced at least one overdose event (i.e., high-risk users) are more likely to experience subsequent overdoses, often fatal. By targeting high risk users (as well as other users), the COAP program may be more effective at reaching those most at risk.

In the first fiscal year, the percentage was about 2 percent of program participants that experience a subsequent overdose. In the second full year, it was 4 percent. As grantees mature and establish mechanisms to track and collect this data, it is expected that the percentage of individuals that experienced a subsequent overdose event (fatal or nonfatal) within the first 6-months of program contact will increase and then likely stabilize in subsequent years to about 10 percent. Thus, the target for those individuals that do not experience a subsequent overdose event is set at 90%.

#### Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

<sup>&</sup>lt;sup>17</sup> Center for Disease Control. "Understanding the Epidemic." Access online at: <a href="https://www.cdc.gov/drugoverdose/epidemic/index.html">https://www.cdc.gov/drugoverdose/epidemic/index.html</a>

<sup>&</sup>lt;sup>18</sup> <a href="https://www.whitehouse.gov/the-press-office/2017/10/26/president-donald-j-trump-taking-action-drug-addiction-and-opioid-crisis">https://www.whitehouse.gov/the-press-office/2017/10/26/president-donald-j-trump-taking-action-drug-addiction-and-opioid-crisis</a>

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

## Performance Measure 2: Overall Graduation Rate of Healing-to Wellness Court/Drug Court Participants

FY 2020 Targets: 43%

## Decision Units: Tribal Victim Services Set Aside Program Purpose Area Three (BJA) and Purpose Area Nine (OJJDP)

The Coordinated Tribal Assistance Solicitation (CTAS) has nine separate Purpose Areas. The overall goal of these purpose areas are to establish adult and juvenile healing-to-wellness court/drug courts. Purpose Area number three has an overall goal to provide funding to tribes to develop, support, and enhance adult tribal justice courts and prevent crime, including crime related to opioid, alcohol, and other substance abuse.

Purpose area number nine supports OJJDP's Tribal Youth Program (TYP), which seeks to support and enhance tribal efforts to prevent and reduce juvenile delinquency and strengthen a fair and beneficial juvenile justice system response for American Indian and Alaska Native youth. A major goal of this purpose area is to create initiatives that will enhance public safety, ensure that youth are held appropriately accountable to both victims and communities, and empower youth to live productive, law-abiding lives.

The graduation rates from both adult and juvenile tribal healing to wellness and drug court programs provides a means to determine the extent to which tribes develop, implement, and enhance substance abuse and crime prevention, interventions, and alternatives to incarceration to address crime related to the opioid epidemic. Additionally, the measure provides a way to illustrate how tribes enhance the tools and resources to respond to crime and public safety.

The FY 2020 target for BJA-funded Tribal Healing-to-Wellness Courts is set at 43% for FY 2020, which is estimated by taking the three-year average from FY 2017-2019. The target graduation rate is lower than most targets for traditional drug courts. This is appropriate given the unique needs of Tribal communities and the disparity in treatment resources when compared to non-Tribal drug courts.

#### Data Validation and Verification

BJA and OJJDP implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA and OJJDP program managers. Program

managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

### <u>Performance Measure 3: Percent of Program Youth Who Exhibited a Reduction in Substance Use Behavior</u>

FY 2020 Targets: TBD<sup>19</sup>

Decision Units: 1) Mentoring for Youth Affected by the Opioid Crisis/and 2) Opioid-Affected Youth Initiative (OJJDP)

Established in 2018 as a component of OJJDP's larger Youth Mentoring program, the Mentoring for Youth Affected by the Opioid Crisis program focuses specifically on providing mentoring services to youth impacted by the opioid crisis. The purpose of OJJDP's Youth Mentoring program is to reduce juvenile delinquency, gang involvement, academic failure, victimization, and school dropout rates through one-on-one, group, and peer mentoring.

A goal of the program is to improve outcomes (such as improved academic performance and reduced school dropout rates) for youth at-risk or involved with the juvenile justice or tribal justice systems, and reduce negative outcomes (including delinquency, substance use, and gang participation) through mentoring. The program also looks to support innovative research and evaluation-based efforts that respond to gaps and needs of the mentoring field and examine strategies to improve and increase mentor recruitment.

Awards are made through the comprehensive Mentoring Opportunities for Youth program solicitation which includes two opioid-focused categories: (a) Mentoring Strategies for Youth Impacted by Opioids/Project Sites, which makes awards to local and regional organizations including nonprofit and for-profit organizations, and tribal nonprofit and for-profit organizations, and (b) Statewide and Regional Mentoring Initiative for Youth Impacted by Opioids which makes awards to national organizations, states and territories, and federally recognized tribal governments. Since first established, OJJDP has made a total of 26 awards under the Mentoring for Opioid Impacted Youth program.

96

<sup>&</sup>lt;sup>19</sup> Both of these programs were newly established in FY 2018, and as a result, OJJDP has not had adequate time to collect and analyze data in order to develop accurate targets. OJP expects to report actuals for FY 2020, as well as targets for FY 2021.

Established in FY 2018, the purpose of the Opioid Affected Youth program is to assist states, local units of government, and federally recognized tribal governments develop a data-driven, coordinated response to opioid abuse-related challenges that impact youth and community safety. The program support efforts that will address public safety concerns, intervention, prevention, and diversion services for children, youth, and families directly impacted by opioid abuse.

Funded sites work in partnership with representatives from law enforcement, education, probation and community supervision, juvenile court, mental health service providers, medical physicians/examiners, prosecutors, community-based organizations that address substance abuse, child welfare agencies, child protective services, first responders, and other community health agencies. Over the past 2 years, a total of 13 sites have received funding, as well as a Training and Technical Assistance provider.

Goals of the program are to (1) Support comprehensive cross-system planning and collaboration among officials who work in law enforcement, pretrial services, the courts, probation and parole, child welfare, and reentry. Other stakeholders include emergency medical services and health care providers, public health partners, and agencies that provide substance abuse treatment and recovery support services; (2) Expand law enforcement and court diversion programs to intervene with youth and family opioid abuse.; (3) Develop and enhance public safety, behavioral health, and public health information-sharing that leverage key public health and safety data sets. Develop interventions based on this information.; and (4) Implement wraparound services that facilitate meaningful coordination between the justice system and family support agencies, especially child welfare, to safeguard the wellbeing of affected children and families and address public safety concerns by improving coordination of services such as training, intervention, prevention, and diversion programs for affected populations.

#### Data Validation and Verification

OJJDP implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by OJJDP program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

#### <u>Performance Measures 4&5: Overall Graduation Rate of Juvenile Drug Court</u> <u>Participants and Overall Graduation Rate of Family Drug Court Participants (OJJDP</u>

FY 2020 Target: 50% (Juvenile Drug Courts) FY 2020 Target: 41% (Family Drug Courts)

#### **Decision Units: Juvenile Drug and Family Treatment Courts**

The Office of Juvenile Justice Delinquency and Prevention (OJJDP) funds the juvenile drug treatment courts (JDTC). The courts are designed for youth with substance use disorders who come into contact with the juvenile justice system. Guidelines provide juvenile courts with an evidence-based, treatment-oriented approach that emphasizes family engagement, and addresses the substance use and often co-occurring mental health disorders experienced by the youth.

In addition to JDTC, OJJDP funds family drug courts (FDCs), which handle cases of child abuse and neglect that involve substance use by the child's parents or guardians. FDCs address parental substance use disorders and parenting issues within the court and child welfare systems, using a collaborative, family-centered approach. FDCs operate as alternatives to traditional family courts or dependency courts and work to balance the rights and needs of both parents and children

OJJDP's performance metric for Drug Courts is the overall graduation rate for program participants. This measure will be calculated by dividing the number of graduates during the reporting period (numerator) by the total number of participants exiting the program, whether successfully or unsuccessfully, during the reporting period (denominator).

#### Data Validation and Verification

OJJDP implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by OJJDP program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

#### <u>Performance Measure 6: Percent of Participants Who Were Tested That Did Not Test</u> <u>Positive for the Presence of Alcohol or Illicit Substance during the Reporting Period</u>

FY 2020 Target: 76%

#### **Decision Unit: Justice and Mental Health Collaboration Program (JMHCP/BJA)**

The Bureau of Justice Assistance (BJA)'s Justice and Mental Health Collaboration Program (JMHCP) aims to increase public safety by aiding collaboration between the criminal justice system and its behavioral health care service partners. The program seeks to improve responses to and outcomes for people with mental illnesses (MI) or co-occurring mental illness and substance abuse (CMISA) who come in contact with the justice system. JMHCP promotes officer and public safety through coordination of system resources for those accessing multiple services, including hospitals, jails, and mental health crisis services.

A key means to measuring the success of CMISA programs that focus on those who come in contact with the justice system is whether program participants test positive for the presence of alcohol or illicit substances. The goal of JMHCP is to provide funding to criminal justice agencies to partner with mental health agencies, provide specialized training to officers, strengthen connections with health care service providers, and promote universal screening and assessment for mental illness and substance abuse. This measurement is a critical component to assess the performance of grantees funded by the JMHCP.

The FY 2020 target is set at 76%, which is established by looking at the 3-year average (FY 2017-FY 2019). This estimate is appropriate for this population as they are typically served in a community setting and are typically a high risk/high need population.

#### Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) on January 1, 2009, to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to OJP's Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

<u>Performance Measure 7:</u> Percent of all (formula and competitive) Coverdell awards utilizing "drug funds"\* for some portion of their award activities.

FY 2020 Target: TBD

## Decision Unit: Forensic Support for Opioid and Synthetics Drug Investigations (Paul Coverdell Forensic Science Improvements Grant Program)

OJP made more than \$13 million available to support forensic activities related to opioids under the Paul Coverdell Forensic Science Improvement Grant Program. The National Institute of Justice (NIJ) expects Coverdell grant funds to be used, in part, by medical examiners/coroners and forensic laboratories to address the dramatic increase in deaths and the backlogs of seized drugs as a result of the opioid crisis. Laboratories are overwhelmed with drug seizures and requests for toxicological analysis in opioid-related crimes and deaths, which in turn puts pressure on other laboratory sections. In addition, medical examiners and coroners are required to conduct unprecedented levels of autopsies and expend resources in opioid deaths.

Performance measures for this program are currently in the development stage. Once measures are developed, NIJ will report on the measures in future reporting cycles.

#### Data Validation and Verification

Grantees report data into the OJP's Grants Management System (GMS), and reviewed by NIJ program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

## OFFICES OF THE UNITED STATES ATTORNEYS



### Office of the Inspector General

Washington, D.C. 20530

### Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Acting Director Executive Office for U.S. Attorneys U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Executive Office for United States Attorneys (EOUSA) for the fiscal year ended September 30, 2019. The EOUSA's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of EOUSA management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

Offices of the United States Attorneys Detailed Accounting Submission



### U.S. Department of Justice

Executive Office for United States Attorneys

Resource Management and Planning Staff

Suite 6.500, 3CON Building 175 N Street, NE Washington, DC 20530 (202) 252-5600 FAX (202) 252-5601

### Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the United States Attorneys' system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- The drug methodology used by the United States Attorneys to calculate obligations of budgetary resources by function and budget decision is reasonable and accurate in all material respects.
- The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- 3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2019.
- The United States Attorneys did not have any ONDCP Fund Control Notices issued in FY 2019.

Jonathan Pelletier

Chief Financial Officer

Date

# U.S. Department of Justice United States Attorneys Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

### FY 2019 Actual Obligations

Drug Obligations by Budget Decision Unit and Function: Decision Unit: Criminal		
Prosecution	\$ 107.898	
<b>Total Criminal Decision Unit</b>	\$ 107.898	
Total Drug Control Obligations	\$ 107.898	
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.619	

## U.S. Department of Justice United States Attorneys Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

### 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 workyears 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 2019, 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.

### <u>Disclosure 3: Material Weaknesses or Other Findings</u>

The United States Attorneys community is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2019, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statement audit. The fiscal year 2019 audit resulted in an unmodified opinion on the financial statements.

However, the FY 2019 *Independent Auditors' Report* noted one material weakness related to inadequate financial statement compilation and review controls. KPMG noted that the emphasis placed on the Department's financial statement compilation and review processes had not achieved the level of rigor that is necessary to prepare timely and accurate financial statements in accordance with generally accepted accounting principles, and OMB Circular No. A-136, *Financial Reporting Requirements*.

USAOs did not contribute directly to the material weakness identified above and this audit's findings did not impair USAOs ability to report complete and accurate obligation data in the FY 2019 Table of Drug Control Obligations.

### Disclosure 4: Reprogrammings or Transfers

There were no drug related reprogrammings or transfers that affected drug-related budgetary resources in FY 2019.

Offices of the United States Attorneys Performance Summary Report



### U.S. Department of Justice

Executive Office for United States Attorneys

Resource Management and Planning Staff

Suite 6.500, 3CON Building 175 N Street, NE Washington, DC 20530

(202) 252-1000 FAX (202) 252-1000

### Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the United States Attorneys system of performance reporting provides reasonable assurance that:

- The United States Attorneys use the United States Attorneys' CaseView (formerly, the Legal Information Online Network System), an electronic national case management system, to capture performance information accurately and was properly applied to generate the performance data.
- The United States Attorneys do not set drug related targets, but report out actual statistics on two drug related performance measures.
- The methodology described to report performance measures for the current year is reasonable given past performance and available resources.
- 4. The United States Attorneys have established at least one acceptable performance measure for each decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Jonathan Pelletier

Chief, Financial Officer

Date

/20/2020

## U.S. Department of Justice United States Attorneys Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

### <u>Performance Measures: Conviction Rate for Drug Related Offenses & Percentage of</u> Defendants Sentenced to Prison

The United States Attorneys' Offices (USAOs) investigate and prosecute the vast majority of criminal cases brought by the federal government to include drug related topics. USAOs receive most of their criminal referrals, or "matters," from federal investigative agencies, including the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the United States Immigration and Customs Enforcement (ICE), the United States Secret Service, and the United States Postal Inspection Service. The Executive Office for the United States Attorneys (EOUSA) supported the 2018 National Drug Control Strategy through reducing the threat, trafficking, use, and related violence of illegal drugs. The FY 2019 performance of the drug control mission of the United States Attorneys within the Department of Justice is based on agency Government Performance and Results Act documents and other agency information.

The USAOs do not set conviction rate targets. The USAOs report actual conviction rates to EOUSA through a case management system, known as United States Attorneys CaseView system (formerly the Legal Information Online Network System). EOUSA categorizes narcotics cases prosecuted by the USAOs into two different types -- Organized Crime Drug Enforcement Task Force (OCDETF) cases and non-OCDETF narcotics cases. In light of the attestation by the OCDETF Executive Office, EOUSA provides a summary report for only non-OCDETF narcotic cases in FY 2019:

	U.S. Attorneys						
Se	elected Measures of Performance	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target*	FY 2019 Actual	FY 2020 Target*
*	Conviction Rate for drug related defendants	93%	93%	93%	NA	93%	NA
<b>»</b>	Percentage of defendants sentenced to prison	88%	88%	90%	NA	89%	NA

<sup>\*</sup> The USAOs do not set conviction rate targets. Therefore the targets for FY 2020 are not available. Actual conviction rate for FY 2020 will be presented in the FY 2020 submission.

### Data Validation and Verification

The Department of Justice views data reliability and validity as critically important in the planning and assessment of its performance. EOUSA makes every effort to constantly improve the completeness and reliability of its performance information by performing "data scrubs" (routine examination of current and historical data sets, as well as looking toward the future for trends) to ensure the data we rely on to make day-to-day management decisions are as accurate and reliable as possible and targets are ambitious enough given the resources provided.

The Director, EOUSA, with the concurrence of the Attorney General's Advisory Committee, issued a Continuous Case Management Data Quality Improvement Plan on May 1, 1996. This program enhances the accuracy and reliability of data in CaseView, which is used for a wide variety of internal management awareness and accountability, and provides guidance for all personnel involved in the process (docket personnel, system managers, line attorneys and their secretaries, and supervisory attorney personnel), in order to meet current information gathering needs.

Established in 1995, the Data Analysis Staff is the primary source of statistical information and analysis for EOUSA. Beginning in FY 1997, each district was to establish a Quality Improvement Plan. Beginning in June 1996, each United States Attorney must personally certify the accuracy of their data as of April 1 and October 1 of each year.

### ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES PROGRAM



### Office of the Inspector General

Washington, D.C. 20530

### Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Director
Executive Office for the Organized Crime
Drug Enforcement Task Forces
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Organized Crime Drug Enforcement Task Forces (OCDETF) for the fiscal year ended September 30, 2019. The OCDETF's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them

to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of OCDETF management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Kelly A McFadle

Director, Financial Statement Audit Office

Office of the Inspector General

U.S. Department of Justice

Washington, D.C.

January 22, 2020

Organized Crime Drug Enforcement Task Forces Program Detailed Accounting Submission



### U.S. Department of Justice

Executive Office for Organized Crime Drug Enforcement Task Forces

### Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, we assert that the OCDETF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- 1. Obligations reported by budget decision unit are the actual obligations 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 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. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2019.
- 5. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2019.

JAN 2 2 2020 Simshindo Msola, Budget Officer

### U.S. Department of Justice ${\bf Organized\ Crime\ Drug\ Enforcement\ Task\ Forces\ (OCDETF)\ Program}$ Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019

D	Oollars in Millions					
Drug Obligations by Decision Unit and Function		FY 2019 Actual Obligations	FY 2019 OCDETF Executive Office*	_	FY 2019 arryover	Total FY 2019 Actual Obligations
Investigations:	Fund					
Drug Enforcement Administration (DEA)	\$	188 01 \$	4 39	\$	0 00 \$	192 40
Federal Bureau of Investigation (FBI)		134 65	3 14		0 00	137 79
U S Marshals Service (USMS)		8 72	0 20			8 92
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)		11 42	0 27		0 00	11 69
OCDETF Fusion Center (OFC)		22 31	0 52		0 00	22 84
International Organized Crime Intelligence and Operations Center (IOC-2) TOTAL INVESTIGATIVE DECISION UNIT	\$	4 58 <b>369.69</b> \$	0 11 <b>8.63</b>	\$	0 00 <b>0.00</b> \$	4 69 <b>378.33</b>
Prosecutions:						
U S Attorneys (USAs)	\$	158 52 \$	2 47	\$	0.00 \$	160 99
Criminal Division (CRM)	T	2 18	0 03	*	0 00	2 21
EXO Threat Response Unit (TRU)		0 21	0 00		0 00	0 22
TOTAL PROSECUTORIAL DECISION UNIT	\$	160.91 \$	\$2.51	\$	0.00 \$	163.41
Total Drug Control Obligations	\$	530 60 \$	11 14	\$	0 00 \$	541 74
(*Includes funding for the following agencies" HSI \$0.45, DOL, \$0.05; USCG, \$0.95; USSS,	\$0.32; IRS, \$0.34; S	trike Force, \$0.77 a	ll split among inve	stigations)		

## U.S. Department of Justice Organized Crime Drug Enforcement Task Forces Program Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

### 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, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018. The Table represents obligations from the ICDE account incurred by OCDETF for drug control purposes. All amounts are net of reimbursable agreements.

<u>Data</u> - 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.

<u>Financial Systems</u> - 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. <u>Investigations Function</u> 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. <u>Prosecution Function</u> 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 2019, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2019 *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 2019 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 2019.

Organized Crime Drug Enforcement Task Forces Program Performance Summary Report



### U.S. Department of Justice

Executive Office for Organized Crime Drug Enforcement Task Forces

### Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

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, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, we assert that the OCDETF system of performance reporting provides reasonable assurance that:

- 1. OCDETF has a system to capture performance information accurately and that system was properly applied to generate the performance data.
- 2. OCDETF met the reported performance targets for FY 2019.
- 3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. OCDETF has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

		JAN 22 2020	
Simshindo Msola, Budget Officer	Date		

## U.S. Department of Justice Organized Crime Drug Enforcement Task Forces Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

### <u>Performance Measure 1: Consolidated Priority Organization Target (CPOT)–Linked</u> Drug Trafficking Organizations Disrupted and Dismantled

The disruption and dismantlement of a drug organization is a very complex operation that begins with investigative and intelligence activities by federal agents and culminates in federal prosecution of the parties involved. Therefore, the Office of National Drug Control Policy (ONDCP) agreed to the OCDETF Program reporting only one measure for both of the OCDETF Decision Units (Investigations and Prosecutions) as the efforts of both are needed to achieve the results tracked by the measure.

The goal of the OCDETF Program is to identify, investigate, and prosecute the most significant drug trafficking and money laundering organizations and their related enterprises, and to disrupt and dismantle the operations of those organizations in order to reduce the illicit drug supply in the United States. By dismantling and disrupting trafficking organizations that are CPOT-linked, OCDETF is focusing enforcement efforts against organizations that include heads of narcotic and/or money laundering organizations, poly-drug traffickers, clandestine manufacturers and producers, and major drug transporters, all of whom are believed to be primarily responsible for the domestic illicit drug supply. Additionally, the financial investigations conducted by OCDETF are focused on eliminating the entire infrastructure of CPOT-linked organizations and permanently removing the profits enjoyed by these most significant drug traffickers. Reducing the nation's illicit drug supply and permanently destroying the infrastructure of significant drug trafficking organizations are critical pieces of the Attorney General's Drug Strategy as well as the National Drug Control Strategy. By reporting on the number of CPOT-linked organizations being disrupted or dismantled, OCDETF clearly indicates the number of significant drug organizations that have been impacted by law enforcement efforts.

#### Table:

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target
Dismantlements	115	*	75**	***	***	***
Disruptions	153	*	142	***	***	***
Total	268	*	217	192	245	213

<sup>\*</sup> Due to changes in DEA's reporting protocols and systems, the entire number for the Performance Measure is not available in FY 2017.

<sup>\*\*</sup>The breakdown by agency is DEA with 56 and FBI with 20; there is an overlap of one case which reduces OCDETF's total
\*\*\*The Department now lists targets as a single, combined total of dismantlements and disruptions

Despite a policy change, which impacted performance targets, OCDETF achieved impressive results during FY 2019 in dismantling and disrupting CPOT-linked drug trafficking organizations. OCDETF dismantled and disrupted 245 CPOT-linked organizations in FY 2019, which was 28% above the target amount. The annual targets for the OCDETF Program's performance measures are determined by examining current year and prior year actuals. In addition to the historical factors, resources (including funding and personnel) are also taken into account when formulating a respective target.

The FY 2020 OCDETF Dismantlements and Disruptions (D&D) target is based on the percentage of FY 2019 OCDETF D&Ds to FY 2019 Department D&Ds, and the Department's FY 2020 target. In FY 2019, OCDETF D&Ds accounted for 75% of the Department's disruptions and dismantlements. The Department's targets for FY 2020 is 285 disruptions and dismantlements. Therefore, the OCDETF D&D target for FY 2020 is 213 disruptions and dismantlements.

### Data Validation and Verification

The CPOT List is updated semi-annually. Each OCDETF agency has an opportunity to nominate targets for addition to/deletion from the List. Nominations are considered by the CPOT Working Group (made up of mid-level managers from the participating agencies). Based upon the Working Group's recommendations, the OCDETF Operations Chiefs decide which organizations will be added to/deleted from the CPOT List. Once a CPOT is added to the List, OCDETF investigations can be linked to that organization. The links are reviewed and confirmed by OCDETF field managers using the OCDETF Fusion Center, agency databases, and intelligence information. Field recommendations are reviewed by the OCDETF Executive Office. In instances where a link is not fully substantiated, the sponsoring agency is given the opportunity to follow-up. Ultimately, the OCDETF Executive Office "un-links" any investigation for which sufficient justification has not been provided. When evaluating disruptions/dismantlements of CPOT-linked organizations, OCDETF verifies reported information with the investigating agency's headquarters.

### **UNITED STATES MARSHALS SERVICE**



### Office of the Inspector General

Washington, D.C. 20530

### Office of the Inspector General's Independent Report on the Accounting of Drug Control Funds and Related Performance

Director
United States Marshals Service
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's United States Marshals Service (USMS) for the fiscal year ended September 30, 2019. The USMS's management is responsible for the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, and as otherwise agreed to with the ONDCP. Our responsibility is to express a conclusion on the Detailed Accounting Submission and the Performance Summary Report based on our review.

Our review was conducted in accordance with attestation standards 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 the Detailed Accounting Submission and the Performance Summary Report in order for them to be in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Detailed Accounting Submission and the Performance Summary Report are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Based on our review, we are not aware of any material modifications that should be made to either the Detailed Accounting Submission or the Performance Summary Report for the fiscal year ended September 30, 2019, in order for them to be in accordance with the ONDCP's Circular, *Accounting of Drug Control Funding* 

and Performance Summary, dated May 8, 2018, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of USMS management, the ONDCP, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.

Kelly A. McFadden, CPA

Director, Financial Statement Audit Office Office of the Inspector General U.S. Department of Justice Washington, D.C.

January 22, 2020

**United States Marshals Service Detailed Accounting Submission** 



Chief Financial Officer

### U.S. Department of Justice

United States Marshals Service

Financial Services Division

Washington D.C. 20530-1000

1/22/2020

### Detailed Accounting Submission Management's Assertion Statement For Fiscal Year Ended September 30, 2019

On the basis of the United States Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, Accounting of Drug Control Funding and Performance Summary, dated May 8, 2018, we assert that the USMS system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

- 1. 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.
- 2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
- 3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2019.
- 4. The USMS did not have any ONDCP Fund Control Notices issued in FY 2019.

Date

# U.S. Department of Justice United States Marshals Service Detailed Accounting Submission Table of Drug Control Obligations For Fiscal Year Ended September 30, 2019 (Dollars in Millions)

		Y 2019 l Obligations
Drug Obligations by Budget Decision Unit and Function:		
Decision Unit #1: Fugitive Apprehension		
International Investigations	\$ \$	1.49 147.82
Total Fugitive Apprehension	<u>\$</u>	149.31
Decision Unit #2: Judicial & Courthouse Security		
Prosecution	\$	75.68
Total Judicial & Courthouse Security	\$	75.68
Decision Unit #3: Prisoner Security & Transportation		
Prosecution	\$	39.76
Total Prisoner Security & Transportation	\$	39.76
Decision Unit #4: Detention Services		
Corrections	\$	585.34
Total Detention Services	<u>\$</u>	585.34
Total Drug Control Obligations	<u>\$</u>	850.09
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$	1.00 8.87
Organized Crime Drug Enforcement Task Force (OCDETF)	P	0.67

### U.S. Department of Justice United States Marshals Service Detailed Accounting Submission Related Disclosures For Fiscal Year Ended September 30, 2019

### Disclosure 1: Drug Methodology

The USMS does not receive a specific appropriation for drug-related work in support of the National Drug Control Strategy. Therefore, the USMS uses drug-related workload data to develop drug control ratios for some decision units, and the average daily population (ADP) for drug offenses to determine the drug prisoner population cost for the Detention Services decision unit.

Three decision units, Fugitive Apprehension, Judicial & Courthouse Security, and Prisoner Security & Transportation, are calculated using drug-related workload ratios applied to the Salaries & Expenses (S&E) appropriation. For the Fugitive Apprehension decision unit, the USMS uses drug-related workload ratios based on the number of all warrants cleared, including felony offense classifications for Federal, state, and local warrants such as narcotics possession, manufacturing, and distribution. To calculate the drug-related workload percentage for this decision unit, the USMS divides the number of drug-related warrants cleared by the total number of warrants cleared. For the Judicial & Courthouse Security, and Prisoner Security & Transportation decision units, the USMS uses drug-related workload ratios based only on in custody, drug-related, primary Federal offenses, such as various narcotics possession, manufacturing, and distribution charges. Primary offense refers to the crime with which the accused is charged that usually carries the most severe sentence. To calculate the drug-related workload percentages for these two decision units, the USMS divides the number of drug-related offenses in custody by the total number of offenses in custody. The USMS derives its drug related obligations for these three decision units starting with the USMS S&E appropriation actual obligations at fiscal year-end as reported in the Standard Form-133, Report on Budget Execution and Budgetary Resources. The previously discussed drug workload ratios by decision unit are then applied to the total S&E annual appropriation to derive the drug-related obligations.

Detention services obligations are funded through the Federal Prisoner Detention (FPD) Appropriation. The USMS is responsible for Federal detention services relating to the housing and care of Federal detainees remanded to USMS custody, including detainees booked for drug offenses. The FPD appropriation funds the housing, transportation, medical care, and medical guard services for the detainees. FPD resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to the Bureau of Prisons. The FPD appropriation does not include specific resources dedicated to the housing and care of the drug prisoner population. Therefore, for the Detention Services decision unit, the methodology used to determine the cost associated with the drug prisoner population is to multiply the ADP for drug offenses by the per diem rate (housing cost per day), which is then multiplied by the number of days in the year.

<u>Data</u> – 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 in the Justice Detainee Information System (JDIS). 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.

<u>Financial Systems</u> – UFMS is the financial system that provides USMS with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

### **Disclosure 2: Methodology Modifications**

The USMS drug budget methodology applied is consistent with the prior year and there were no modifications.

### Disclosure 3: Material Weaknesses or Other Findings

The USMS is a component within the DOJ Offices. For FY 2019, the USMS was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2019 Independent Auditors' Report on the Financial Statements and the Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* revealed no material weaknesses, significant deficiencies or other findings for the USMS. Additionally, the Department's review of the USMS internal controls as well as program activity for FY 2019 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 contained in published financial reports.

### Disclosure 4: Reprogrammings or Transfers

There were no reprogramming or transfers that directly affected drug-related budgetary resources.

### <u>Disclosure 5: Other Disclosures</u>

None.

**United States Marshals Service Performance Summary Report** 



### U.S. Department of Justice

United States Marshals Service

Financial Services Division

Washington, D.C. 20530-1000

### Performance Summary Report Management's Assertion Statement For Fiscal Year Ended September 30, 2019

On the basis of the United States Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated May 8, 2018, we assert that the USMS system of performance reporting provides reasonable assurance that:

- 1. The USMS uses the Justice Detainee Information System (JDIS) to capture performance information accurately and this system was properly applied to generate the performance data.
- 2. Explanations offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets is reasonable.
- 3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
- 4. The USMS has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

of Financial Officer

Chief Financial Officer

Date

1/22/2020

### U.S. Department of Justice United States Marshals Service Performance Summary Report Related Performance Information For Fiscal Year Ended September 30, 2019

### Performance Measure 1: Percent of Warrants Cleared for Drug-Related Charges

One primary function of the USMS is to execute court orders and apprehend fugitives. The Fugitive Apprehension decision unit undertakes these activities; the portions of which that are respondent to drug-related warrants support the National Drug Control Strategy. Through the development of programs such as the Major Case Fugitive Program, Regional Fugitive Task Forces, and International Fugitive Investigations, the USMS partners with state and local law enforcement and other law enforcement organizations to apprehend wanted individuals. Within the USMS organization, Deputy U.S. Marshals in the 94 federal judicial districts perform the majority of the apprehension work, while receiving support from headquarters divisions and partner organizations. Warrants cleared include felony offense classifications for federal, and state and local warrants. The cleared percentage is calculated by dividing Drug-Related Warrants Cleared by the number of Total Warrants Cleared.

Fiscal Year	% Drug-Related	Total Warrants	Drug-Related
	Warrants Cleared	Cleared	Warrants Cleared
2016 Actual	32.0%	121,612	38,938
2017 Actual	28.9%	112,760	32,589
2018 Actual	28.9%	112,077	32,337
2019 Actual	28.0%	115,734	32,390
2020 Estimate	29.5%		

For FY 2020, the USMS estimates 29.5% of Total Warrants Cleared will be drug-related. Since the USMS does not control the warrant workload it receives in any given year, this estimate is calculated as an average of the past four years. It should not be viewed as a target or measure of the effectiveness of resource allocation or effort.

### Data Validation and Verification

This data is queried from the Justice Detainee Information System (JDIS). 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 JDIS, the statistics in this report cannot be exactly replicated. The data in JDIS is dynamic, and the statistics are only current as of the date and time the report was compiled.

<sup>&</sup>lt;sup>1</sup> JDIS data reports were generated October, 2019.

### Performance Measure 2: Percent of Offenses in Custody for Drug-Related Charges

Another primary function of the USMS is to secure courthouses and detain prisoners during the judicial process. This is accomplished through the Judicial & Courthouse Security decision unit, and the portion of these activities respondent to drug-related offenders supports the National Drug Control Strategy. The Prisoner Security & Transportation decision unit carries out the detention-related work, the portion of which that relates to drug-related offenses supports the National Drug Control Strategy. Deputy U.S. Marshals throughout the 94 federal judicial districts perform the majority of the judicial security and detention work, while receiving support from headquarters divisions and coordinating with the Federal Bureau of Prisons for custody transfers. The Drug-Related Offenses in Custody percentage is calculated by dividing primary Drug-Related Offenses in Custody by the number of Total Offenses in Custody. This measure focuses on primary offenses.

Fiscal Year	% Drug-Related Offenses in Custody	Total Offenses in Custody	Drug-Related Offenses in Custody
2016 Actual	19.8%	102,491	20,263
2017 Actual	21.4%	91,133	19,509
2018 Actual	16.3%	118,488	19,367
2019 Actual	16.5%	127,546	21,076
2020 Estimate	18.2%		

For FY 2020, the USMS estimates 18.2% of Total Offenses in Custody will be for drug-related charges. Because the USMS does not control the nature of prisoner offenses in any given year, this estimate is calculated as an average of the past four years. It should not be viewed as a target or measure of the effectiveness of resource allocation or effort.

### Data Validation and Verification

This data is queried from JDIS. 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 JDIS, the statistics in this report cannot be exactly replicated. The data in JDIS is dynamic, and the statistics are only current as of the date and time the report was compiled.<sup>2</sup>

### Performance Measure 3: Per Day Jail Cost (non-federal facilities)

The USMS is responsible for the costs associated with the care of federal detainees in its custody. The Federal Prisoner Detention appropriation, and Detention Services decision unit, provide for the care of federal detainees in private, state, and local facilities, which includes housing, subsistence, transportation, medical care, and medical guard service. The USMS does not have performance measures for costs associated exclusively with housing the drug prisoner population. The USMS has no control over the prisoner population count. While the USMS can

<sup>&</sup>lt;sup>2</sup> JDIS data reports were generated October, 2019.

report data on the specific number of detainees and corresponding offense, it cannot set a performance measure based on the size and make-up of the detainee population.

The Per Day Jail Cost is an overall performance measure that reflects the average daily costs for the total detainee population housed in non-federal facilities. Non-federal facilities refer to detention space acquired through Intergovernmental Agreements (IGA) with state and local jurisdictions and contracts with private jail facilities. The USMS established the Per Day Jail Cost performance measure to ensure efficient use of detention space and to minimize price increases. The average price paid is weighted by actual jail day usage at individual detention facilities. The FY 2019 per day jail cost was \$85.23, or \$0.79 above the target level. The difference between the 2019 Target and Actual can be attributed to increases in the detention population in areas where high cost IGA facilities are utilized. This unexpected increase in new detainees in these areas caused the average jail day rate to rise above the FY 2019 Target. To regulate the average daily rate, the USMS negotiates rates with private facilities; limits the frequency of IGA adjustments; and utilizes federal bed space where available.

Fiscal Year	\$ Per Day
FY 2016 Actual	\$81.13
FY 2017 Actual	\$83.54
FY 2018 Actual	\$84.51
FY 2019 Target	\$84.44
FY 2019 Actual	\$85.23
FY 2020 Target	\$86.29

The FY 2020 target is based on the projected average price weighted by the projected prisoner population usage at individual detention facilities.

#### Data Validation and Verification

Data reported are validated and verified against monthly reports describing district-level jail utilization and housing costs prepared by the USMS. This data is queried from JDIS. System administrators perform a variety of checks and updates to ensure that accurate information is contained. The information on prisoner population is live, so information queried for year-end reporting is a snapshot-in-time. Due to continuous user activity in JDIS, the statistics in this report cannot be exactly replicated. The data in JDIS is dynamic, and the statistics are only current as of the date and time the report was compiled.

\_

<sup>&</sup>lt;sup>3</sup> JDIS data reports were generated in October, 2019



The Department of Justice Office of the Inspector General (DOJ OIG) is a statutorily created independent entity whose mission is to detect and deter waste, fraud, abuse, and misconduct in the Department of Justice, and to promote economy and efficiency in the Department's operations.

To report allegations of waste, fraud, abuse, or misconduct regarding DOJ programs, employees, contractors, grants, or contracts please visit or call the **DOJ OIG Hotline** at <a href="mailto:oig.justice.gov/hotline">oig.justice.gov/hotline</a> or (800) 869-4499.

# U.S. DEPARTMENT OF JUSTICE OFFICE OF THE INSPECTOR GENERAL

950 Pennsylvania Avenue, Northwest Suite 4760 Washington, DC 20530-0001

WebsiteTwitterYouTubeoig.justice.gov@JusticeOIGJusticeOIG

Also at Oversight.gov

# **U.S. Department of Labor**

Office of the Assistant Secretary for Administration and Management Washington, D.C. 20210



March 23, 2020

Mr. Terry Zobeck
Deputy Assistant Director
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. Zobeck -

The Department of Labor (DOL) transmitted the FY 2019 Accounting and Performance Summary Report (Report) on March 5, 2020, to the Office of the National Drug Control Policy (ONDCP). I attached the Report to this letter for purposes of continuity.

In accordance with the ONDCP Circular, National Drug Control Program Agency Compliance Reviews, issued October 22, 2019, DOL affirms the management and performance assertions contained in the Report are fairly presented in all material respects with the ONDCP established criteria. Since the Department's obligations for drug-related activities fall below the reporting threshold of \$50 million, we attest that the full reporting requirement with the ONDCP Circular would constitute an unreasonable burden.

If you have any questions please contact Mark Wichlin at (202) 693-4070.

Sincerely,

GEOFFREY KENYON
Date: 2020.03.23 16:11:52 -04'00'

Geoffrey Kenyon Deputy Assistant Secretary for Budget

Attachment

# **DEPARTMENT OF LABOR**

# Employment and Training Administration Dislocated Worker National Reserve Accounting and Performance Summary

Budget Auth (in Million		
Resource Summary	<b>PY 2018</b> Enacted	<b>PY 2018</b> Final
Drug Resources by Function National Health Emergency Grants	\$69.3	\$69.3
Drug Resources by Decision Unit National Health Emergency Grants	\$69.3	\$69.3

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.

# **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 Program Year 2018, the Department was appropriated \$167.9 million for the program (this amount includes the FY 2018 appropriation of \$220.9 million, plus a rescission of \$53.0 million that was enacted in FY 2019). The Department provided guidance for how states can apply for Disaster Recovery Dislocated Worker Grants (DWGs) to respond to the opioid crisis. Disaster Recovery DWGs 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. 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.

The Dislocated Worker National Reserve runs on a program year. Funds appropriated for Program Year 2018 were available for obligation from July 1, 2018 through September 30, 2019. During Program Year 2018, the Department awarded grants of up to \$69.3 million to address the opioid crisis.<sup>1</sup>

# **PERFORMANCE MEASURES**

Successful opioid crisis Disaster Recovery DWG projects will facilitate community partnerships that are central to dealing with this complex public health crisis; provide training that builds the skilled workforce in professions that could impact the causes and treatment of the opioid crisis; ensure the timely delivery of appropriate, necessary career, training, and support activities to dislocated workers, individuals laid off due to the opioid crisis, long-term unemployed individuals, and self-employed individuals who are unemployed or significantly underemployed as a result of the opioid public health emergency; and create temporary disaster-relief employment that addresses the unique impacts of the opioid crisis in affected communities.

The grants have a two year period of performance. Grants awarded during Program Year 2018 will run through Program Year 2020 (FY 2021).

**Current Year Performance Targets** 

National Reserve		
Selected Measures of Performance	PY 2018 Target	PY 2018 Achieved
» Number of people served	Baseline	TBD
» Employment rate, second quarter after exit	Baseline	TBD
» Employment rate, fourth quarter after exit	Baseline	TBD

#### **Quality of Performance Data**

The National Reserve runs on a program year, with FY 2018 money available for federal obligation from July 1, 2018 through September 30, 2019. Outcome measurements are calculated after participants exit from the program, and by definition, are unable to be reported until the conclusion of the services.

<sup>&</sup>lt;sup>1</sup> The \$69.3 million accounts for the maximum amount that will be given to the grantee. Typically, only one-third of the award amount is disbursed to a state at any one time. Thus, awards are not equal to obligations.

#### **Management Assertions**

# 1. Performance reporting system is appropriate and applied.

The measures listed align with the metrics the Department captures for participants served through other programs authorized by the Workforce Innovation and Opportunity Act.

# 2. Explanations for not meeting performance targets are reasonable.

Program Year 2018 concluded on September 30, 2019. Grants awarded during PY 2018 will continue until FY 2021. Outcome measurements are lagged, as they cannot be captured until the second and fourth quarter after exiting.

# 3. Methodology to establish targets is reasonable and applied

Targets are to be determined.

# 4. Adequate performance measures exist for all significant drug control activities.

The existing performance measures are adequate and reflect all significant drug-related activities.

# **Employment and Training Administration Office of Job Corps**

# **Accounting and Performance Summary**

Budget Authority (in Millions)		
Resource Summary	PY 2018 Enacted	PY 2018 Final
Drug Resources by Function Prevention	\$6.0	\$6.0
Drug Resources by Decision Unit Trainee Employment Assistance Program (TEAP)	\$5.3	\$5.3
Drug Testing Contract Support	\$0.7	\$0.7

# **MISSION**

The Job Corps program is administered by the Department of Labor's Employment and Training Administration (ETA). Established in 1964, the Job Corps program is a comprehensive, primarily residential, academic and career technical training program for economically disadvantaged youth, ages 16-24. There are currently 121 Job Corps centers nationwide in 50 states, Puerto Rico, and the District of Columbia providing services to approximately 50,000 at-risk youth each year to help them acquire high school diplomas and occupational credentials leading to a career. A component of this program that also teaches life skills is the Trainee Employment Assistance Program (TEAP), which includes components for drug prevention and drug education activities as related to job preparation for Job Corps program participants.

# **METHODOLOGY**

The Office of Job Corps' (OJC) expenditures for the TEAP program are for counselors to prepare Job Corps program participants for employment, including: education on the dangers of alcohol, drug and tobacco use; abuse and prevention awareness activities; development of programs to prevent alcohol, drug and tobacco use and abuse among the student population; development and coordination of community resources to educate students on substance use and abuse; and identification of and provision of counseling services to students with substance abuse problems and arrangement of appropriate treatment. In addition, the budget includes the full cost of drug testing each individual student upon entry.

# **MANAGEMENT ASSERTIONS**

- (1) Obligations reported by budget decision unit are the actual obligations from the Department's accounting system of record for these Budget Decision Units.
- (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 disclosed in this section was the actual methodology used to generate the table required by ONDCP's Circular on Accounting of Drug Control Funding and Performance Summary.
- (4) The drug budget obligations included in this report were not subject to transfer, reprogramming, or funds control notice.

# **PERFORMANCE MEASURES**

The Job Corps program performance is outcome oriented, primarily focused on ETA's Government Performance and Results Act (GPRA) and other agency goals. This program, because of its authorization and appropriation, operates on a program year (PY) basis. Funds appropriated in FY 2018 are available from July 1, 2018 through June 30, 2019. In PY 2018, Job Corps provided training to both students and staff on drug-related requirements in the workplace, including employer drug testing policies and the effects of drug and alcohol abuse on employability. Since Job Corps is not a drug-treatment program, its measures are not related to drug education program success. The tables below include selected Job Corps performance measures, targets and achievements related to education, and employability for the most recent program years for which data are available.

The percent of students tested for drugs upon entry is 100%. Job Corps provides drug testing to every new enrollee to ensure adherence to the Job Corps Zero Tolerance policy, relating to drugs and violence. 78% of students are placed in employment, military or higher education at exit. This is Job Corps' primary performance measure on how successfully Job Corps' academic education, career technical training and social skills development programs have influenced students' progression towards labor market participation. It is one of the common measures used by all the training programs in ETA.

#### **Prior Year Performance Targets and Results**

Job Corps								
Selected Measures of Performance	PY15 Target	PY15 Achieved	PY16 Target	PY16 Achieved	PY17 Target	PY17 Achieved		
Percent of Students tested for drugs upon entry	100%	100%	100%	100%	100%	100%		
Percent of Students placed in employment, military or higher education at exit	70%	77.7%	*	*	*	*		

<sup>\*</sup>Not a reportable measure in PY 2016 or PY 2017, as the updated measure was refined under Workforce Innovation and Opportunity Act (WIOA). The Department is baselining the measure through PY 2019.

#### **Current Year Performance Targets**

Job Corps		
Selected Measures of Performance	PY 2018 Target	PY 2018 Achieved
» Percent of students tested for drugs upon entry	100%	100%

# **Quality of Performance Data**

The performance data provided are accurate and complete. All toxicology test results are maintained in the CIS database at the Job Corps Data Center and retrieved as needed for external/internal reporting. For the student placement measure, the data is from Job Corps' Center Information System (CIS) which collects data from all centers on a daily basis. CIS has built-in data validations to ensure data fields are accurate, non-duplicative and sensible. Student placement is one of the three measures in the Job Corps Common Measures Report which is aligned with all federal agencies providing training services to youths.

# **MANAGEMENT ASSERTIONS**

# 1. Performance reporting system is appropriate and applied.

Job Corps' Outcome Measurement System (OMS) and Common Measures Report capture performance information accurately and the system was applied properly to generate the performance data related to the Job Corps mission and objectives.

# 2. Explanations for not meeting performance targets are reasonable.

Primary prevention efforts other than 100% drug testing are not established performance targets and therefore not measurable. All targets were met.

#### 3. Methodology to establish targets is reasonable and applied

The methodology for developing future performance target is based on past performance and available resources.

4.	Adequate	performance n	neasures exist	for all	significant	drug contro	ol activities.
т.	Aucuuut	DCI IOI III GIICC II	ICUSUICS CAIS	L IOI GII	JIETHICALL	dide colle	oi activitics.

The existing performance measures are adequate and reflect all significant drug-related activities.

# Office of Workers' Compensation Programs Special Benefits Accounting and Performance Summary

Budget Author (in Millions)		
Resource Summary	<b>FY 2019</b> Enacted	<b>FY 2019</b> Final
Drug Resources by Function Prevention	\$3.6	\$3.6
Drug Resources by Decision Unit Prescription Management Unit Pharmacy Benefit Management Services	\$2.6 \$1.0	\$2.6 \$1.0

# **MISSION**

The Department of Labor's Office of Workers' Compensation Programs (OWCP) administers the Federal Employees' Compensation Act (FECA), as amended, with extensions. The Special Benefits fund comprises two accounts, one of which represents obligations for benefits under the FECA. The Special Benefits funding provides resources necessary to meet required payments for compensation, medical costs, vocational rehabilitation, and other benefits made to eligible federal employees or their survivors as mandated by the FECA. Under extensions of FECA, the program also 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. As a component of providing payments for reasonable and necessary medical treatment related to the accepted work injury, OWCP may consider the medical necessity of opioids while reducing the potential for opioid misuse and addiction among injured federal workers.

#### **METHODOLOGY**

The \$2,615,000 and 26 FTE provided in FY 2019 helped address the growth in opioid use nationwide and enhance the integrity of the FECA program. The FECA program continued to make staffing decisions to improve monitoring of opioid drug use among injured workers receiving benefits under the FECA. This unit monitored and approved opioid prescriptions so that injured workers only receive opioids that are medically necessary, and have the chance to appropriately reduce high dosages that carry risk of overdose or create dependence. Additionally, this effort supports the President's strategic drug control initiatives, the Secretary's initiative on combatting the opioid epidemic, and the Office of National Drug Control Policy priority, "Addressing the Nation's Opioid Use Crisis and Overdose Epidemic."

The \$974,000 and 5 FTE provided in FY 2019 was used to manage the acquisition and use of PBM services. PBM services implemented drug controls that improved the safety, quality, and cost-effectiveness of prescription care provided to claimants across the four agency programs. Additionally, the drug controls offered by a PBM reduced the costs of treatment to all federal agencies covered by the FECA, and for other OWCP programs as well. This initiative continues to support the PMA priority of sharing quality services.

This initiative enabled the program to approve medically appropriate use of opioid medication and provide beneficiaries assistance in transitioning to alternative treatments as appropriate. Decreasing opioid use has assisted in return-to-work efforts for instances where medication usage limits activity, leading to greater savings on wage-loss compensation payments. It will also assist the program in certifying the necessity of payments made for medical treatment under the FECA.

# **MANAGEMENT ASSERTIONS**

- (1) Obligations reported by budget decision unit are the actual obligations from the Department's accounting system of record for these Budget Decision Units.
- (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 disclosed in this section was the actual methodology used to generate the table required by ONDCP's Circular on Accounting of Drug Control Funding and Performance Summary.
- (4) The drug budget obligations included in this report were not subject to transfer, reprogramming, or funds control notice.

#### PERFORMANCE MEASURES

#### **Prior Year Performance Targets and Results**

Special Benefits							
Selected Measures of Performance	FY16 Target	FY16 Achieved	FY17 Target	FY17 Achieved	FY18 Target	FY18 Achieved	
Percent decrease of initial opioid prescriptions and duration of new opioid prescriptions for Federal employees with work-related injuries.	N/A	N/A	N/A	N/A	4.0%	56.0%	
Number of Letters of Medical Necessity processed for opioid medications	N/A	N/A	N/A	N/A	Baseline	1,125	

Program initiated in FY 2018 with passage of P.L. 115-141, signed March 23, 2018.

# **Current Year Performance Targets**

Special Benefits							
Selected Measures of Performance	FY 2019 Target	FY 2019 Achieved					
» Percent decrease of initial opioid prescriptions and duration of new opioid prescriptions for Federal employees with work-related injuries.	10.0%	56.0%					
» Percent decrease of initial opioid prescriptions and duration of new opioid prescriptions for Federal employees with work-related injuries.	Baseline	1,736					

# **Quality of Performance Data**

The performance data provided are accurate and complete.

# **MANAGEMENT ASSERTIONS**

1. Performance reporting system is appropriate and applied.

OWCP's performance information is accurate and uniquely applied to properly generate the performance data related to the mission and objectives.

2. Explanations for not meeting performance targets are reasonable.

All targets were met.

3. Methodology to establish targets is reasonable and applied

The methodology for developing future performance target is based on past performance and available resources.

4. Adequate performance measures exist for all significant drug control activities.

The existing performance measures are adequate and reflect all significant drug-related activities.

# Tab K

# U.S. Department of State Bureau of International Narcotics and Law Enforcement Affairs

# FY 2019 National Drug Control Program Agency Compliance Review Report

Reference: ONDCP Circular: National Drug Control Program Agency Compliance Reviews (October 22, 2019)

# **SECTION 7. Detailed Accounting Report**

The Department is providing a Detailed Accounting Report on the drug control program obligations of the Bureau of International Narcotics and Law Enforcement Affairs (INL) in accordance with Section 7(a) of the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews. The Detailed Accounting Submission consists of this report which includes (a) a table highlighting prior year drug control obligations data, and (b) a narrative section making assertions regarding the prior year obligations data.

# **Section 7(a) Drug Control Funding Obligations**

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

The following table presents the obligations of the drug control budgetary resources appropriated and available in FY 2019 by Drug Control Function and Budget Decision Unit.

# Bureau of International Narcotics and Law Enforcement Affairs Drug Control Obligations (\$Millions)

	FY 201	19 Actual
Drug Resources by Drug Control Function*		
International		716.803
	<b>Total</b>	716.803
Drug Resources by Decision Unit		
International Narcotics Control and Law Enforcement (INCLE)		716.803
	Total	716.803

# Information

Total INCLE Budget 2,981.257

Section 7(a)(2). Drug Methodology

<sup>\*</sup> Includes total of all FY 2019 obligations for all fiscal years.

The mission of the Bureau of International Narcotics and Law Enforcement Affairs (INL) is to minimize the impact of international crime and illegal drugs on the United States and its citizens through providing effective foreign assistance and through fostering global cooperation.

To help achieve this mission, INL targets drugs at the source and in transit. Bureau goals include reducing drug cultivation through enforcement, eradication, and alternative development programs; strengthening the capacity of law enforcement institutions to investigate and prosecute major drug trafficking organizations and to block and seize their assets; improving the capacity of the host government's law enforcement and security forces to attack narcotics production and trafficking centers; and fostering regional and global cooperation against drug trafficking. INL functions include foreign policy formulation and coordination, program management and diplomatic initiatives.

The Department's accounting system tracks obligations through a combination of the appropriation point limitation, function code, allotment code, and project code. This arrangement separates all the drug control obligations being reported from other funds managed by INL. The accounting reports reflect net negative amounts when obligations and their associated expenditures and de-obligations occur in different fiscal years. Thus, all expenditures and de-obligations that occurred in the current year (FY 2019) that are associated with original obligations that occurred in a prior year (e.g., FY 2018), would result in a negative obligation.

# a.) Obligations by Budget Decision Unit -

All obligations presented in the INL table of drug control obligations are 100 percent drug-related.

# b.) Obligations by Drug Control Function -

All obligations presented in the INL table of drug control obligations are 100 percent drug-related.

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

Consistent with the methodology used for reporting FY 2018 data, the Spending Lines Reports from Data Warehouse was used to gather the obligation data from the Global Financial Management System (GFMS), the Department's system of record. All Program Development and Support (PD&S) funds, regardless of project code, were included. In addition, all obligations for the Andean countries (Colombia, Brazil, Ecuador, and Peru) were included, based on the assessment that they were all drug related. Payroll obligations/expenditures of Overseas Contingency Operations (OCO) funds with domestic allotment codes where no project codes were used, were considered PD&S and reported as such.

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

The Department received an unmodified ("clean") audit opinion of its FY 2019 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 2019, 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

A summary of all prior year reprogrammings or transfers that affected drug-related budgetary resources for all non-expired appropriations is attached at Tab 3. For the FY 2019 reporting period, INL and the Department processed a total of 9 congressional notification actions that included 10 counternarcotics reprogrammings related to FY 2014 and FY 2018 INCLE and INCLE-OCO funds.

Section 7(a)(6). Other Disclosures – There are no other disclosures to report.

Section 7(b) Assertions

# Section 7(b)(1). Obligations by Budget Decision Unit

INL asserts that obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record for these Budget Decision Units.

# Section 7(b)(2). Drug Methodology

INL asserts that the drug methodology used to calculate obligations of prior year budgetary resources is reasonable, that the data presented is complete, and that the financial systems supporting the drug methodology yield data that fairly present, in all material respects, aggregated obligations from which the drug-related obligations are derived.

# Section 7(b)(3). Application of Drug Methodology

INL asserts that the drug methodology disclosed in this section was the actual methodology used to generate the table required by Section 7(a), 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

None noted.

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

INL asserts that there were no modifications made to the methodology for reporting drug control obligations from the FY 2018 reporting.

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

INL asserts that the data presented are associated with obligations against a financial plan that was approved by ONDCP for all drug-related resources. INL complied with ONDCP's policy to approve counternarcotics-related reprogramming actions above \$1,000,000.

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

INL asserts that the data presented are associated with obligations against a financial plan that was approved by ONDCP. ONDCP issued new circulars on October 2, 2019 for the following: 1) Budget Formulation, 2) Budget Execution, 3) National Drug Control Program Agency Compliance Reviews (Previously Accounting of Drug Control Funding and Performance Summary), 4) Policy Coordination and Organizational Oversight (Previously Policy Coordination Circular), 5) National Drug Control Assessment (New Circular), and 6) Tracking System for Federally Funded Grant program (New Circular).

# **SECTION 8. Performance Summary Report**

**Section 8(a) Performance Reporting** 

**Section 8 (a)(1) Performance Measures** 

#### Measure 1: Number of Hectares of Coca eradicated in Colombia and Peru

**Measure Description:** The measure tracks the amount of coca leaf that is forcibly or voluntarily eradicated in Colombia and Peru on an annual basis, which reduces the number of hectares of coca under cultivation, thereby reducing the supply of processed cocaine that is shipped to the United States.

**Purpose of the Program:** The long-term goal of INL's eradication efforts in Colombia and Peru is to reduce the number of hectares of coca under cultivation, thereby reducing the supply of processed cocaine that is shipped to the United States. The program accomplishes this through a strategy of forced and voluntary manual eradication, increased drug interdiction, and strengthening rule of law and alternative livelihood efforts. Eradication is a critical component of the U.S. government's counternarcotics strategy in the Andean region and is a metric used by managers to handle day-to-day operations.

**Contribution to National Drug Control Strategy:** The program contributes to the National Drug Control Strategy's goal of collaborating with international partners to disrupt the drug trade by working with international partners to reduce illicit drug use, production, trafficking, and associated violence.

**How is this measure outcome-oriented?** The measure tracks the amount of coca leaf that is forcibly or voluntarily eradicated in Colombia and Peru on an annual basis, which reduces the number of hectares of coca under cultivation, thereby reducing the supply of processed cocaine that is shipped to the United States.

**How is this measure used by program managers?** INL program managers in the field use this measure for operational planning and day-to-day program management. The eradication measure is available daily rather than six months following the close of the calendar year, allowing managers the flexibility to adjust program operations to meet annual targets. Furthermore, the measure conforms to Department policy regarding standardized performance metrics for foreign assistance programs.

# Measure 2: Reduce cultivation of opium poppy in Afghanistan by increasing the number of Poppy-Free Provinces and Provinces Reducing Cultivation

**Measure Description:** The measure tracks the number of Poppy Free Provinces and Provinces Reducing Cultivation in Afghanistan, which is a reflection of the Afghan government's capacity to reduce illicit crop cultivation, drug trafficking, and drug consumption.

**Purpose of the Program:** The purpose of the program is to build the capacity of the Afghan government to reduce illicit crop cultivation, drug trafficking, and drug consumption in order to disrupt a key source of funding to the insurgency and promote security and governance.

Contribution to National Drug Control Strategy: The program contributes to the National Drug Control Strategy's goal of collaborating with international partners to disrupt the drug trade by partnering with the Afghan government to support interdiction and eradication, build institutional capability, support economic alternatives to drug cultivation, and promote collaborative efforts in prevention, treatment, and research, thereby assisting global partners in acquiring the capabilities to overcome the consequences of drug abuse.

**How is this measure outcome-oriented**? The measure tracks the number of Poppy Free Provinces and Provinces Reducing Cultivation in Afghanistan, which is a reflection of the Afghan government's capacity to reduce illicit crop cultivation, drug trafficking, and drug consumption, thereby disrupting a key source of funding to the insurgency and promoting security and governance in Afghanistan.

**How is this measure used by program managers?** This measure is used as a general guide in annual program planning and targeting, by program managers focusing on reducing cultivation throughout Afghanistan.

# Measure 3: Percentage of target population that have not used drugs after treatment in Afghanistan

**Measure Description:** The Pacific Institute for Research and Evaluation (PIRE) found that 30 percent of a sample tested negative for drug use.

**Purpose of the Program:** Drug consumption represents a threat to the future of Afghanistan. The country faces some of the world's highest recorded rates of domestic illicit narcotic use. Drug consumption drains human capital, placing a burden on civil society and social services. Addressing drug use in Afghanistan also serves a counter-insurgency mission by denying revenue to the insurgents and safeguarding a vulnerable segment of the population that is prone to exploitation. Drug demand-reduction programs also rescue the vital human capital that will be needed to build a self-sustained public and private sector for generations to come.

**Contribution to National Drug Control Strategy:** Curricula developed in Afghanistan are transferred for use internationally, including within the United States in efforts to combat the opioid crisis.

**How is this measure outcome-oriented**? The study covered both NGO and Ministry of Public Health-funded treatment centers. The measure provides insight into the success of the capacity building function of the program.

How is this measure used by program managers? INL is currently in the process of transitioning treatment center administrative functions to the Afghan Ministry of Public Health. The measure ensures that centers may transition without seeing a deterioration in services.

# Measure 4: Reduce potential production of heroin (pure metric tons) from Mexico by 25 percent within 5 years

**Measure Description:** The measure tracks the reduction of the potential production of heroin (pure metric ton) from Mexico.

**Purpose of Program:** INL's strategic objective in Mexico is to reduce national security threats to the United States posed by transnational criminal organizations (TCOs) that traffic illicit drugs, undermine border security, and fuel corruption.

Contribution to National Drug Control Strategy: The program contributes to the National Drug Control Strategy's goal of collaborating with international partners to disrupt the drug trade by partnering with the Afghan government to support interdiction and eradication, build institutional capability, support economic alternatives to drug cultivation, and promote collaborative efforts in prevention, treatment, and research, thereby assisting global partners in acquiring the capabilities to overcome the consequences of drug abuse.

**How is this measure outcome-oriented?** The measure tracks the reduction of the potential production of heroin (pure metric ton) from Mexico by 25% within 5 years. In 2018, the U.S. Government estimated that the potential production of heroin in Mexico had declined by 5 percent to 106 metric tons, exactly on track to achieve the 5-year target of 25 percent. This progress can be attributed to the Mexican government's strong support and implementation of several programs targeting the opium poppy crop.

**How is this measure used by program managers?** This measure is used to track the progress of the reduction of production of heroin in Mexico.

# Section 8 (a)(2) Prior Years Performance Targets and Results

#### Measure 1: Number of Hectares of Coca eradicated in Colombia and Peru

**CY 2018 Performance Results:** The CY 2018 goal was for 18 of Afghanistan's 34 provinces to be poppy-free and for an additional 10 provinces to reduce cultivation by 10 percent or more in 2018. The number of Poppy Free Provinces (PFP) in 2018 was 10, equal to 2017 as Nuristan regained poppy-free status lost in 2017, but Takhar, which had been poppy-free since 2008 lost its designation. There were 14 Province Reducing Cultivation (PRC). UNODC observed continued cultivation in almost all opium poppy-growing provinces. Over half of the total national cultivation occurred in Helmand province, with a cultivation of 136,798 hectares.

The UNODC Afghanistan Opium Survey states that opium poppy cultivation in Afghanistan covered 263,000 hectares, which represented a 20 percent decrease in 2018 from the 328,000 hectares recorded the previous year. Potential opium production decreased by 29 percent over the same period, from 9,000 to 6,400 tons. A total of 406 hectares of verified poppy eradication was carried out under the Afghan Ministry of Counter Narcotics' (MCN) Governor-Led Eradication (GLE) program, representing a decrease of 46 percent compared to 2017, when 750 hectares of poppy were eradicated.

The 2019 Opium Survey has not yet been released. However, cultivation is likely to be lower than 2018, but still a significant concern. It is possible there will be an uptick in production, given the extremely high cultivation rates in recent years.

# Measure 2: Reduce cultivation of opium poppy in Afghanistan by increasing the number of Poppy-Free Provinces and Provinces Reducing Cultivation

**CY 2018 Performance Results:** The CY 2018 goal was for 18 of Afghanistan's 34 provinces to be poppy-free and for an additional 10 provinces to reduce cultivation by 10 percent or more in 2018. The number of Poppy Free Provinces (PFP) in 2018 was 10, equal to 2017 as Nuristan regained poppy-free status lost in 2017, but Takhar, which had been poppy-free since 2008 lost its designation. There were 14 Province Reducing Cultivation (PRC). UNODC observed continued cultivation in almost all opium poppy-growing provinces. Over half of the total national cultivation occurred in Helmand province, with a cultivation of 136,798 hectares.

The UNODC Afghanistan Opium Survey states that opium poppy cultivation in Afghanistan covered 263,000 hectares, which represented a 20 percent decrease in 2018 from the 328,000 hectares recorded the previous year. Potential opium production decreased by 29 percent over the same period, from 9,000 to 6,400 tons. A total of 406 hectares of verified poppy eradication was carried out under the Afghan Ministry of Counter Narcotics' (MCN) Governor-Led Eradication (GLE) program, representing a decrease of 46 percent compared to 2017, when 750 hectares of poppy were eradicated.

The 2019 Opium Survey has not yet been released. However, cultivation is likely to be lower than 2018, but still a significant concern. It is possible there will be an uptick in production, given the extremely high cultivation rates in recent years.

# Measure 3: Percentage of target population that have not used drugs after treatment in Afghanistan

**CY 2018 Performance Results:** The Pacific Institute for Research and Evaluation (PIRE) found that 30 percent of a sample tested negative for drug use.

# Section 8 (a)(3) Current Year Performance Targets

#### Measure 1: Number of Hectares of Coca eradicated in Colombia and Peru

**CY 2019 Performance Target:** Eradication efforts have had minimal impact on curbing opium-poppy cultivation. The Afghan government has struggled to perform eradication due to the security challenges in poppy-growing areas, namely that these areas are predominantly under Taliban control. This year, the MCN's dissolution coincided with the eradication-planning period, leading to minimal eradication in FY

2019. No eradication took place in Helmand, the highest poppy-cultivating province in Afghanistan between 2016 and 2018.

# Measure 2: Reduce cultivation of opium poppy in Afghanistan by increasing the number of Poppy-Free Provinces and Provinces Reducing Cultivation

**CY 2019 Performance Target:** Eradication efforts have had minimal impact on curbing opium-poppy cultivation. The Afghan government has struggled to perform eradication due to the security challenges in poppy-growing areas, namely that these areas are predominantly under Taliban control. This year, the MCN's dissolution coincided with the eradication-planning period, leading to minimal eradication in FY 2019. No eradication took place in Helmand, the highest poppy-cultivating province in Afghanistan between 2016 and 2018.

# Measure 3: Percentage of target population that have not used drugs after treatment in Afghanistan

**CY 2019 Performance Target:** The Pacific Institute for Research and Evaluation (PIRE) found that 30 percent of a sample tested negative for drug use.

# Section 8 (a)(4) Quality of Performance Data

Measure 1: Number of Hectares of Coca eradicated in Colombia and Peru

CY	CY	CY	CY	CY	CY	CY
2015	2016	2017	2018	2019	2019	2020
Actual	Actual	Actual	Actual	Target	Actual	Target
N/A	47,800	75,000	81,494	95,000	109,313	125,000

# Measure 2: Reduce cultivation of opium poppy in Afghanistan by increasing the number of Poppy-Free Provinces and Provinces Reducing Cultivation

| CY     |
|--------|--------|--------|--------|--------|--------|--------|
| 2015   | 2016   | 2017   | 2018   | 2019   | 2019   | 2020   |
| Actual | Actual | Actual | Actual | Target | Actual | Target |
| N/A    | 20     | 11     | 28     | 25     | 26     | 22     |

# Measure 3: Percentage of target population that have not used drugs after treatment in Afghanistan

| CY     |
|--------|--------|--------|--------|--------|--------|--------|
| 2015   | 2016   | 2017   | 2018   | 2019   | 2019   | 2020   |
| Actual | Actual | Actual | Actual | Target | Actual | Target |
| N/A    | 70     | 70     | 70     | 15     | 30     | 30     |

# 'Measure 4: Reduce potential production of heroin (pure metric tons) from Mexico by 25 percent within 5 years

| CY     |
|--------|--------|--------|--------|--------|--------|--------|
| 2015   | 2016   | 2017   | 2018   | 2019   | 2019   | 2020   |
| Actual | Actual | Actual | Actual | Target | Actual | Target |
| N/A    | N/A    | 111    | 106    | 100    |        | 94     |

#### **Section 8 (b) Assertions**

# Section 8 (b)(1) Performance Reporting System is Appropriate and Applied

The measure uses information reported by country programs on calendar year basis. The target is from the most recent Foreign Assistance Performance Plan and Report (PPR) published in the middle of January each year. Due to the proximity of the PP's publication time each year with the February 1 reporting deadline, INL has revised its methodology to report with a year lag to avoid a late submission. In the case of Peru, final data comes from Peru's Coca Monitoring and Reduction Agency (CORAH). Colombia reports data originating from the Ministry of Defense, and the data is validated by the Ministry of Justice.

# Section $8\ (b)(2)$ Explanations for not Meeting Performance Targets are Reasonable

None noted.

# Section 8 (b)(3) Methodology to Establish Performance Targets is Reasonable and Consistently Applied

The embassy country teams consult subject area experts in Washington and in the field to consider past performance and trends, policy priorities, long term goals, relevant conditions on the ground, and resource levels in setting performance targets. The targets are set and result are reported for each country in the Foreign Assistance Performance Plan and Report. The Results are also reported in the International Narcotics Control Strategy Report and are aggregated in Washington for the purposes of performance reporting to other stakeholders. The governments of Colombia and Peru are responsible for setting their annual eradication goals; INL supports these goals once they are established.

Section 8 (b)(4) Adequate Performance Measures Exist for all Significant Drug Control Activities

Section 8 (c) Criteria

Section 8 (c)(1) Data

Section 8 (c)(2) Other Estimation Methods

Section 8 (c)(3) Reporting Systems

All of the performance information presented here is gathered from third party sources. These sources are reputable and, I believe, provide the best data available for these performance measures. The Office of U.S. Foreign Assistance Resources maintains a data collection system known as a Foreign Assistance Coordination and gathering data and I cannot, therefore, speak directly to the accuracy of the data. I can say that these third parties are experts in their fields and provide INL with actionable information.

	INL Conternarcotics Reprogramming Congressoinal Notifications Processed in FY 2019							
Action Number	Fiscal Year of Funds	Program (Country, Regional Centrally Managed)	Total Notification Amount	Of which, Counternarcotics (CN)	Congressional Notification #			
1	FY 2014	Colombia	\$15,150,829	\$ 15,150,829	19-092			
			\$14,650,000 (of which \$3M - FY 2014 and \$11.65M - FY					
2	FY 2014 & FY 2018	Peru	2018)	\$ 14,650,000	19-246			
3	FY 2018	Pakistan	\$13,980,000	\$ 3,000,000	19-206			
4	FY 2018	Colombia	\$115,000,000	\$ 102,500,000	19-253			
(part of same CN as #4								
above)	FY 2018	CARSI	\$115,000,000	\$ 6,250,000	19-253			
5	FY 2018	China	\$2,000,000	\$ 1,200,000	19-010			
6	FY 2018	Afghanistan	\$129,450,000	\$ 47,000,000	19-149			
		Central Asia Regional,		\$391,000 (Kazak), \$300,000 (Uzbek, \$2,606,000 (Cent Asia				
7	FY 2018	Kazak, Uzbek	\$8,300,000	Reg)	19-124			
8	FY 2018	Peru	\$6,100,00	\$ 4,300,000	19-065			
9	FY 2018	Centrally Managed	\$17,925,000	\$ 11,825,000	18-313			



# **MEMORANDUM**

**DATE:** March 12, 2020

TO: U.S. Agency for International Development, Office of Chief Financial Officer,

Reginald W. Mitchell

FROM: USAID Office of Inspector General, Financial Audit Division, Damian Wilson /s/

**SUBJECT:** Status of the Review of USAID's Accounting and Authentication of Drug Control

Funds and Related Performance Report for Fiscal Year 2019

Consistent with the requirements of 21 U.S.C. § 1704(d)(1) and ONDCP Circular dated October 22, 2019, 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) determined that we will not conduct a review of USAID's Accounting and Authentication of Drug Control Funds and Related Performance (ONDCP) Report for the year ended September 30, 2019.

USAID OIG will adopt a system of unpredictable reviews of the agency's programs going forward.

If you have any questions concerning this letter, please contact me at 202-712-0713 <a href="mailto:dmwilson@usaid.gov">dmwilson@usaid.gov</a> or Alvin Brown, 202-712-1133 or <a href="mailto:abrown@usaid.gov">abrown@usaid.gov</a>.



James Carroll
Director
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Mr. Carroll:

In accordance with the Office of National Drug Control Policy Circular, National Drug Control Program Agency Compliance Reviews, dated October 22, 2019, the United States Agency for International Development (USAID) is submitting its Accounting and Authentication of FY 2019 Drug Control Funds and Related Performance Report. A Memorandum from the USAID Office of Inspector General report that declares that they will not conduct a review this year is enclosed.

In accordance with ONDCP Circular dated October 22, 2019, Section 7 financial disclosures and assertions in the attached report, I certify that all the information presented for the USAID is true and correct and I concur with all assertions associated with USAID in Section 7. For the purposes of Section 8(a)(b)(c), program performance disclosures and assertions, I cannot certify to them, but they seem reasonable to me and I have no reason to object to the validity of the assertions given by others.

If you would like to address any questions associated with our submission, please call me on 202-916-2679.

Sincerely,

/s/

Reginald W. Mitchell Chief Financial Officer

#### **Enclosures:**

- 1) Accounting and Authentication of Drug Control Funds and Related Performance Report
- 2) Memorandum from the USAID Office of Inspector General

# U.S. Agency for International Development

# Accounting and Authentication of Drug Control Funds and Related Performance Report for 2019

Reference: ONDCP Circular: National Drug Control Program Agency Compliance Reviews (October 22, 2019)

# **SECTION 7 REPORTING - Detailed Accounting Report**

# 7. a. Drug Control Funding Obligations

# 7. a. (1) Table of Prior Year Drug Control Obligations

The following table presents the obligations of the drug control budgetary resources appropriated and available in FY 2019 by Decision Unit and by Drug Control Function.

# FY 2019 U.S. Agency for International Development Drug Control Obligations

		\$ In Millions FY 2019
		Actual
A. Drug Resources by Decision Unit		
Alternative Development and Alternative Livelihoods-Ar	ndean Region	109.80
Alternative Development and Alternative Livelihoods-Af	ghanistan	0.00
	Total	109.80
B. Drug Resources by Drug Control Function International	Total	109.80 109.80
Total Agency Budget** Drug Related Percentage***		13,811 0.80%

<sup>\*\*</sup> USAID 2019 Agency-wide Appropriations per 2019 Statement of Budgetary Resources

C In Milliana

<sup>\*\*\*</sup> Total Drug Control Obligations divided by Total Agency Budget

# 7. a. (1) (a) Obligations by Budget Decision Unit

Table shows Obligations by Decision Unit. All of the reported obligations supported programs in the decision units as defined for USAID in the Attachment C: Account Structure of the National Drug Control Budget of ONDCP Circular, *Budget Formulation*, dated October 22, 2019.

# 7. a. (1) (b) Obligations by Drug Control Function

Table also shows Obligations by Drug Control Function under ONDCP drug control function category of international as defined in the Attachment E: Definitions of Drug Control Budget Functions of ONDCP Circular, *Budget Formulation*, dated October 22, 2019. All of the reported obligations by Drug Control Function are calculated pursuant to a drug methodology.

# 7. a. (2) Drug Methodology

All obligations provided in Table were made from funds available during FY 2019, 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 2019 USAID did not make any obligations from funds appropriated in FY 2019.

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

The drug methodology for 2019 has not been modified from the previous year, 2018.

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

CFO does not know of any material weakness or other finding by independent sources or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which affects the presentation of prior year drug related obligations data.

# 7. a. (5) Reprogrammings or Transfers

USAID did not submit any reprogrammings or transfers to ONDCP in FY 2019.

# 7. a. (6) Other Disclosures

In FY2019, in the Colombia Operating Unit, there was a deobligation of \$500,000 on a 2018 obligation, where mission moved \$500,000 and obligated it into a different program area- PO.2 (Admin and Oversight).

#### 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. (1) Drug Methodology, above, was the actual methodology used to generate Table above.

#### 7. b. (4) Material Weaknesses or Other Findings

CFO does not know of any material weakness or other finding by independent sources or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which affects the presentation of prior year drug related obligations data.

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

The drug methodology for 2019 has not been modified from the previous year, 2018.

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

The data presented in Table above are associated with 2019 obligations against a financial plan. Also, as stated above in section **6. a. (4) Reprogrammings or Transfers** USAID did not submit any reprogrammings or transfers to ONDCP in FY 2019.

The financial plan against which the obligations in Table, above, are associated is USAID's FY 2019 Operational Plan. USAID Drug Related activities in that plan are identified as part of Strategic Objective 1.4.2 (Alternative Development and Alternative Livelihoods). Funds in Program Area 1.4.2 are posted in USAID's accounting system at the Activity level using Program Elements A016 and PS.3.2 (Alternative Development and Alternative Livelihoods).

# 7. b. (7) Fund Control Notices

Not applicable. ONDCP did not issue any Fund Control Notices to USAID in FY 2019.

# 8. Performance Summary Report

**Decision Unit: The Andean Region** 

# ANDEAN PERFORMANCE SECTION OF THE FY 2019 ACCOUNTING REPORT

Measure I: Number of families benefiting from alternative development (AD) activities in USG-assisted areas (Peru)

	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020	FY 2021
	Result	Result	Target	Result	Target	Target
# of families benefiting from AD activities	25,339	41,439	45,000	44,035	53,000	53,000

#### (1) Describe the measure:

This measure applies to Peru. Our objectives are achieved as families and communities in target areas adopt an integrated and sustainable development model built on viable licit economic opportunities. This indicator helps track progress toward that end.

# (2) Discuss performance results for FY 2019:

In partnership with the Government of Peru (GOP) and private sector actors, USAID has scaled up its assistance to help thousands of families transition out of the drug trade and into the licit economy. USAID is in the midst of phasing out assistance to consolidated areas (where licit development has taken root and families are unlikely to return to coca cultivation), and shifting resources to other, high-priority areas where interventions are more nascent and/or less robust.

# (3) Discuss the appropriateness of the target for FY 2020:

USAID does not expect to see major increases in the number of families assisted over the next two years, though that could change depending on the progress of GOP-led eradication operations in the Valley of the Rivers Apurimac, Ene, and Mantaro (VRAEM).

# (4) Discuss the procedures for collection of valid data and targets:

USAID implementing partners are required to keep track of and report on the number of families benefiting from alternative development activities. USAID and its partners regularly conduct monitoring and verification exercises to maintain quality data and establish annual targets. Moreover, USAID participates in an annual verification exercise led by DEVIDA, Peru's counter-narcotics agency, that involves randomly selected household surveys. This verification exercise gives us added confidence in the accuracy of the data.

Measure II: Total sales of licit farm and non-farm products in USG assisted areas (Peru)

	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020	FY 2021
	Result	Result	Target	Result	Target	Target
Total Sales	\$48 million	\$55 million	\$59 million	\$67 million	\$70 million	\$75 million

#### (1) Describe the measure:

This measure applies to Peru. USAID assistance in Peru sustains the reduction of coca after forced eradication by helping farmers acquire the assets, skills, links to markets, and basic services needed to earn a decent living and become part of a licit economy. An adequate and reliable income from licit crops is an essential factor in a farmers' decision to give up coca cultivation. This indicator helps track progress toward that end.

# (2) Discuss performance results for FY 2019:

Progress is on track. The amount of sales in FY 2019 exceeded the target by 13.6 percent. This deviation stems from: (1) a 40 percent increase over the previous year, in the number of hectares of cacao and coffee under production; and (2) a higher than expected commodity prices for cacao and coffee.

# (3) Discuss the appropriateness of the target for FY 2020:

Sales of licit crops are projected to increase over the next several years as a result of USG-supported improvements in farmer productivity. The increase in sales will likely occur at a lower rate than seen over previous years, however, as improvements in productivity generally produce a relatively smaller gain in sales as compared to expanding hectares under cultivation.

# (4) Discuss the procedures for collection of valid data and targets:

USAID implementing partners are required to keep track of and report on sales generated through USAID assistance to farmers and farmer organizations. USAID and its partners regularly conduct monitoring and verification exercises to maintain quality data and establish annual targets. Moreover, USAID participates in an annual verification exercise led by DEVIDA, Peru's counter-narcotics agency, that involves randomly selected household surveys. This verification exercise gives us added confidence in the accuracy of the data.

Measure III: Hectares of alternative crops targeted by USG programs under cultivation (Peru)

Baseline	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020	FY 2021
	Result	Result	Target	Result	Target	Target
37,461	49,108	75,620	77,000	70,853	85,000	90,000

#### (1) Describe the Measure:

This measure applies to Peru. It includes all hectares of alternative crops that receive USG assistance. USAID works with the Government of Peru and its counter-narcotics agency, DEVIDA, to increase alternatives to illicit coca production and improve state services in areas formerly dominated by coca and narco-terrorism. In collaboration with DEVIDA, USAID assists former coca farmers to plant and maintain alternative crops, as well as to improve their productivity and cooperation around both social and economic ends. USAID also partners with the private sector (including U.S. cacao and coffee companies, as well as agricultural equipment and input suppliers), to improve production and post-harvest practices, and to help meet the quality standards that the market demands.

#### (2) Discuss performance results for FY 2019:

Progress is on track. FY 2019 was the third year of implementation of the program, with one activity reaching its midpoint and other activities completing their first year.

# (3) Discuss the appropriateness of the target for FY 2020:

USAID does not expect to see major increases in hectares assisted in the coming years, as the focus will continue to be on improving productivity and sales generated from existing hectares under cultivation.

# (4) Discuss the procedures for collection of valid data and targets:

USAID implementing partners are required to keep track of and report on the new hectares that are planted and those where new production techniques are applied. USAID and its partners regularly conduct monitoring and verification exercises to maintain quality data and establish annual targets. Moreover, USAID participates in an annual verification exercise led by DEVIDA that involves randomly selected household surveys. This verification exercise gives us added confidence in the accuracy of the data.

Measure IV: Total number of clients benefiting from financial services provided through USG-assisted financial intermediaries, including non-financial institutions or actors (Colombia)

FY 2019	FY 2019	FY 2020
Target	Result	Target
100,530	248,344	76,412

#### (1) Describe the measure:

This indicator included the number of new clients that have an active financial product or service on the reporting date (e.g. loans, savings, insurance) with a USAID assisted financial institution. Savings account clients only include those that are active (have performed some transaction in the last 6 months, according to the Colombian Financial Superintendence's definition). An institution is considered to receive RFI assistance when it has received technical assistance, training and/or grants. Clients counted under this indicator live in geographies affected by conflict, high socio -economic vulnerability and/or illegal economies.

#### (2) Discuss performance results for FY 2019:

Two activities contributed to this indicator during FY 2019: Rural Finances Initiative (RFI) and the GDA Empropaz. Through these two activities USAID is fostering rural economic development by increasing micro, small and medium-sized business access to financial services. These activities seek to address the impact that decades of internal conflict had on rural communities in Colombia, preventing rural and agricultural sectors from accessing financial services, and limited rural families' abilities to fully participate in the economy. By increasing citizen access to financial services, USAID is contributing to reduce

vulnerability and facilitate economic inclusion. As a result of USAID assistance, new 229,435 clients were benefited from financial services during FY2019. RFI has been able to meet its indicator's goals much faster than expected because financial institutions were much more responsive than expected. EMPROPAZ is a recent GDA with a Colombian financial private sector institution. This Activity not only provides financial services to clients but also offers technical assistance related to the economic activities where loans are invested. In its first year of implementation (FY2019) EMPROPAZ reported 27.745 new clients as a result of the Activity efforts.

# (3) Discuss the appropriateness of the target for FY 2020:

RFI's target for 2020 is 50.000 clients. This target was settled-up according to the contract with the implementing partner of this Activity in 2016 and it is conservative according to what has been observed in previous years. According to estimations based on investments assigned to reach clients EMPROPAZ target is of 26,412.

#### (4) Discuss the procedures for collection of valid data and targets:

Financial institutions supported by USAID send reports with financial information to USAID Activities. USAID do review and validation of the data review and reported in the USAD monitoring system. Data quality assessments are used to verify the validity of this data that include extensive questioning, the verification of sources, and requests for supporting documentation.

<u>Measure V: Number of rural households benefiting directly from USG interventions (Colombia)</u>

FY 2017	FY 2017	FY 2018	FY 2018	FY 2019	FY 2019	FY 2020
Target	Result	Target	Result	Target	Result	Target
13,200	7,415	50,156	45,249	35,756	40,049	19,995

#### (1) Describe the measure:

This indicator counts the number of beneficiaries of activities contributing to the Development Objective of improving conditions for inclusive rural economic growth of USAID/Colombia's current CDCS. The long-lasting civil conflict in Colombia has marginalized generations of citizens from the benefits of development. With the signing of the peace agreement, transitioning towards a sustainable and inclusive peace will require Colombia to promote a more inclusive society with opportunities for those that have been historically marginalized.

#### (2) Discuss performance results for FY 2019:

Six activities contributed to this indicator during FY 2019: Producers to Markets Alliance (PMA); the Community Development and Licit Opportunities Activity (CDLO); the Land and Rural Development Program (LRDP) Activity; the Investing for Peace Fund ACUMEN Activity; the PAPA Cacao for Peace; and the Artisanal Gold Mining -Environmental Impact Reduction Activity (Oro Legal). Taken together, 45,249 households benefited out of the 35,756 originally targeted for FY 2019 (12% above), which reflects a result that aggregate different efforts and approaches to address difficult rural settings prone to illicit economies. This indicator under the Producers to Markets (PMA) activity contributed directly to the generation of local and export sales; hectares under new technologies and management practices; social inclusion; and other core program indicators. PMA exceeded its target (by 4.4%) and benefitted 26,100 households. CDLO's supported conflict-affected communities to implement local-level social and economic development. Over the life of the activity, CDLO is expected to directly benefit a total of 9,000 rural households. During FY 2019 the activity was able to report progress in all of its activities and benefitted 3,594 households. The Land and Rural Development Program (LRDP) was finalized in September of 2019. As a result of the last activities implemented, which included the implementation of the first massive land titling and cadaster pilot in Colombia, over 1,000 households were benefitted. Additionally, support continued in other land policies, such as land restitution, in which an ethnic case supported that benefitted over 900 families was transferred to the judge for review and ruling. Furthermore, support to producers and households through the PPPs allowed support to a total of 7,978 households. The Artisanal Gold Mining activity demonstrated less progress on this indicator compared to previous years, contributing with 321 families benefited in Antioquia and Choco departments. Progress was made in alternative livelihoods, with 112 new families entering the annatto production in Choco; 13 new families entering beekeeping in Antioquia; and 22 families participating in the rehabilitation of degraded mining lands. For FY19 the Cacao for Peace (CfP) activity had surpassed the target with new farms that entered the program to receive USG assistance. The activity comprised demo, replica, and copy farms, and inputs (fertilizers, tools, vegetable material, soil testing etc.). Acumen's current investments have increased the capacities of the companies. This allowed the company to increase their base of crop suppliers to be able to acquire more inputs for transformation. At the end, this increase in Acumen's companies' production demonstrated its ability to identify more farmers to work with. It also gave them the required technical assistance to enhancing the quality that the company requires for their end.

#### (3) Discuss the appropriateness of the target for FY 2020:

The FY 2020 target is based on PMA, CDLO, OL, CfP and ACUMEN targets. PMA has a goal of reaching 13,000 farmers and CDLO will expand its supporting services to 5,875 households by strengthening their communities to be more reliable and effective partners to implement local-level social and economic development. OL's target is 100, CfP 20,

and ACUMEN 1,000. Targets are supported by the budget and implementation scope stated in their annual work plans for FY 2020.

#### (4) Discuss the procedures for collection of valid data and targets:

This data is collected from the six contributing USAID activities. Data quality assessments are used to verify the validity of this data that include extensive questioning, the verification of sources, and requests for supporting documentation.

Measure VI: Value of smallholder incremental sales of licit agricultural products with USG assistance (Colombia)

FY 2019	FY 2019	FY 2020
Target	Result	Target
\$3,778,149	\$8,842,932	\$7,962,155

#### (1) Describe the measure:

This indicator contributes directly to improve conditions for inclusive rural economic growth and sustainable development. Incremental sales for smallholders is a proxy measurement of their improved income as a result of technical support, strengthened capacity, and increased yield from key value chains. The vulnerable groups in rural, conflict-affected areas have suffered disproportionately. Transitioning towards a sustainable and inclusive peace will require that Colombia promote a more inclusive society with opportunities for those that have been historically marginalized.

#### (2) Discuss performance results for FY 2019:

Six activities contributed to this indicator during FY 2019: PMA; Oro Legal; CDLO; the Connected Landscapes Activity (CLA); the Natural Wealth Activity (NWA), and the Cacao Effect (TCE). Increasing farmer level sales and net income is crucial to demonstrating to rural producers that there are viable licit economic alternatives to coca production. The Producers to Markets Alliance (PMA) activity's incremental sales increases in FY 2019 were driven primarily by productivity increases across value chains, which have been above target. Coffee and cacao prices remain below those recorded in the baseline, thus limiting incremental sales in these value chains. But they have recovered from historic lows in FY 2018. The average sales per grower used to calculate this indicator would be proportionally lower based solely on the difference in harvested area.

Oro Legal activity supported beekeeping in Antioquia and annatto natural colorant in Choco as economic alternative livelihoods to illicit/informal small-gold mining. In Antioquia more than 90 tons of honey were sold and absorbed by the market during the FY 2019. The Bajo Cauca region presents uses less pesticides and as a result there is a growing private sector interest in buying honey. Despite the progress made in populating beehives,

the increased rural insecurity hindered production of the installed beehives. There is also renewed private sector interest for natural colorants. Investors are weary of investing in the Choco region, mostly due to the poor infrastructure and underdeveloped business conditions. A recent uptick in the insecurity conditions diluted expected annatto sales. CLA exceeded sales in two municipalities of Caquetá. For example, sales in Cartagena del Chairá reached \$61,124.46 and in Solano \$43,709.82. Sales included cheese, milk and vegetables. The NWA exceeded this indicator by 165% as a result of livelihood and capacity building activities. The combined support of technical assistance with the development of commercial agreements allowed for greater impact through the development of new businesses and new markets. CDLO includes in its sub-objectives the strengthening of linkages and supply chains connecting businesses and producers with national and international markets. IN FY 2019, CDLO's second year of implementation, performance exceeded the indicator target by 66 percent, positively impacting economic development in targeted territories. The GDA Cacao TCE seeks to increase the income of small cacao producers as measured via the increase of sales in Colombian pesos and US dollars for the producers receiving USG assistance. The activity produced \$29,060 incremental sales in FY 2019.

#### (3) Discuss the appropriateness of the target for FY 2020:

According to estimations based on the number of producer beneficiaries and the geography expected and market conditions the following are the estimates of the activities reporting this indicator: PMA \$ 6,768,333; OL \$450,000; CDLO \$21,875; CLA \$6,046; NWA \$96,000; and TCE \$36,433.

#### (4) Discuss the procedures for collection of valid data and targets:

This data is collected from the contributing USAID activities. PMA uses specific annual representative surveys to the organizations and farmers supported for collection of data on sales and income. For the rest of other activities, the implementing partners do the collection of the data directly to the entire universe of the beneficiaries. Data quality assessments are used to verify the validity of this data that include extensive questioning, the verification of sources, and requests for supporting documentation.

<u>Measure VII: Number of additional hectares of licit crops under improved</u> technologies or management practices as a result of USG assistance (Colombia)

FY 2019	FY 2019	FY 2020
Target	Result	Target
11,912	76,628	22,481

#### (1) Describe the measure:

This indicator contributes directly to improve conditions for inclusive rural economic growth and sustainable development. In Colombia only 4.8 million out of a potential 22 million hectares are farmed. Farmer producer associations in conflict zones are weak or non-existent. They neither possess the market power needed to influence policies that affect them, nor do they benefit from economies of scale in their engagement with the marketplace. Most of the illicit economic activities are concentrated in conflict zones. The transference of knowledge and technology contributes to the improvement of inclusive economic opportunities and reducing poverty, which is key to addressing the root causes of conflict.

#### (2) Discuss performance results for FY 2019:

Four activities contributed to this indicator during FY 2019: PMA; Cacao for Peace (CfP), the GDAs Cacao Effect (TCE) and the Bitter Cassava for a Sweet Milk (BCSM). The target was highly exceeded since PMA included the areas under improved livestock management practices, which were not considered for the original target. Excluding areas under improved livestock management practices, PMA transferred improved technologies and management practices on 12,895 hectares of crops. The application rate of targeted technologies was higher than originally anticipated, with 86 percent of program beneficiaries applying at least one improved technology or management practice. This is a result of PMA's strategy of transferring basic agriculture practices, farm management systems, and new technologies through demonstration sites and individual farm visits on production-related topics such as plant nutrition, pruning, weed control, and pasture management. The Cacao for Peace Activity (CFP) also encouraged farmers to adopt new technologies and improve practices by employing a technical intervention on one hectare of land per farm. By limiting their interventions to one hectare, CFP sought to encourage farmers to replicate successful technologies on the rest of their crops. CFP's intervention methodology also included farm training in fertilization, pruning, and sanitary controls. CFP's surpassed its FY19 target of 35 hectares of land with improved technologies and management practices because it incorporated new farms into the project. The BCSM GDA also exceeded its hectares with interventions target because it helped establish forward contracts for cassava purchases. Lastly, The Cacao Effect GDA achieved its FY19 new technologies and improved management practices target; its FY19 target was 50 Ha of land with improved practices and it helped employ improve practices on 53.8 Ha of land

#### (3) Discuss the appropriateness of the target for FY 2020:

According to estimations based on to investments assigned directly to the improvement of technologies and management practices in coffee, cacao, dairy, latex and blackberry crops the following are the estimates of the activities reporting this indicator: PMA 20,7885; CfP 25; TCE 1240; and BCSM 431.

#### (4) Discuss the procedures for collection of valid data and targets:

This data is collected from the contributing USAID activities. Data quality assessments are used to verify the validity of this data that include extensive questioning, the

verification of sources, and requests for supporting documentation. Geographic Information System (GIS) information is used for estimating the data reported in this indicator. GIS files were reviewed in the data quality assessment done for this indicator.

**Decision Unit: Afghanistan** 

# AFGHANISTAN PERFORMANCE SECTION OF THE FY 2019 ACCOUNTING REPORT

Table 1:

Number of individuals who have received USG supported short-term agricultural sector productivity training or food security training.

FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
2015	2015	2016	2016	2017	2017	2018	2018	2019	2019	2020	2021
Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Target
34,150	56,617	101,792	142,697	98,100	120,041	35,510	89,114	36,838	91,382	13,665	6,608

Table 2:

Number of households benefited by agriculture and alternative development interventions in targeted areas.

FY	FY	FY	FY	FY	FY	FY 2018 Target	FY	FY	FY	FY
2015	2015	2016	2016	2017	2017		2018	2019	2019	2020
Target	Actual	Target	Actual	Target	Actual		Actual	Target	Actual	Target
45,443	55,591	44,420	92,264	50,448	457,523	32,580	190,403	36,645	143,954	0

15

#### (1) Describe the measure:

The performance indicators in Tables 1 and 2 measure the extent to which activities are reaching a critical mass of beneficiaries in targeted areas. Promoting Value Chain-West, Regional Agricultural Development Program-East and North, Afghan Value Chains-Livestock and High Value Crops, Commercial Horticulture and Agricultural Marketing Program, and Strengthening Watershed and Irrigation Management, and On-Farm Water Management (ARTF) activities contribute to this indicator.

The number of individuals who have received USAID training is the number of individuals to whom knowledge or skills have been imparted through formal or informal means as a result of USG supported programs. This includes in-country and off-shore training, as well as knowledge or skills gained through technical assistance activities.

The numbers of households benefiting from agriculture and alternative development interventions are residents of a common dwelling who pool expenses and regularly live together. A household is a beneficiary if it contains at least one individual who is a beneficiary. An individual is a beneficiary if s/he is engaged with a project activity and either already has shown benefit from the activity or has a high likelihood of gaining one of those benefits due to his/her significant level of engagement with the project. This indicator gives insight into the scope of USAID agriculture and alternative development programs and whether they are likely to significantly impact target areas.

#### (2) Discuss performance results in FY 2019:

Regional Agriculture Development Program-North and Commercial Horticulture and Agriculture Marketing Program were in their last year of implementing within the fiscal year and in an effort to meet their outstanding contractual milestones, they deepened their efforts with interventions that benefited more households than originally targeted.

#### (3) Discuss the appropriateness of the target for FY 2019:

These indicators have consistently met or over-achieved its targets. However, it must be noted that the shift in emphasis in agricultural programming to the higher ends of agricultural value chains may have an impact on the performance of this indicator in the future. USAID is no longer doing Alternative Development interventions, and these results will be reported future under new indicator language in the future.

#### (4) Discuss the procedures for collecting of valid data and targets:

USAID has streamlined our own multi-tiered monitoring program in Afghanistan to three tiers that require: 1) either direct USAID observation or direct third party monitoring, 2) implementing partner data, and 3) other sources that corroborate the previous two tiers, such as local beneficiaries, other donors, and civil society to ensure that data collection methodologies and procedures are sound and to conduct periodic data quality assessments. Targets are established by considering current and future planned activities,

budget levels, cost estimates for implementation and consultations with groups or associations of farmers in targeted areas.

#### 9. Inspector General Authentication

See Memorandum from the USAID Office of Inspector General, attached.

#### 10. Unreasonable Burden

Not applicable. USAID's obligations exceed the \$50 million threshold level for simplified reporting.

# Tab L



Inspector General Review of the National Highway Traffic Safety Administration's Fiscal Year 2019 Drug Control Funds and Performance Summary Reporting

Report No. FI2020018 January 31, 2020



# Highlights

# Inspector General Review of the National Highway Traffic Safety Administration's Fiscal Year 2019 Drug Control Funds and Performance Summary Reporting

Required by the Office of National Drug Control Policy Circular, Accounting of Drug Control Funding and Performance Summary

FI2020018| January 31, 2020

#### What We Looked At

Under the Office of National Drug Control Policy (ONDCP) Circular Accounting of Drug Control Funding and Performance Summary (Circular), when drug-related obligations total less than \$50 million and a detailed accounting would be an unreasonable burden, agencies may submit alternative reports. For this reason, the National Highway Traffic Safety Administration (NHTSA) submitted alternative Drug Control Obligation Summary and the Performance Summary reports. We reviewed the reports and related management assertions to determine the reliability of those assertions compliance with the Circular in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. Specifically, we reviewed selected accounting internal controls to determine whether drug control funds were properly identified in the accounting system. In addition, we reviewed NHTSA's internal controls for performance measures to gain an understanding of how the measures were developed. We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the Circular's criteria.

#### What We Found

NHTSA provided Drug Control Obligation Summary and Performance Summary reports, dated December 20, 2019. However, NHTSA found significant errors that netted to \$245,000 in the obligations amount it reported, and we found a missing assertion in the Performance Summary report. On January 23, 2020, NHTSA addressed these errors and omissions and provided corrected reports.

Other than the matters discussed above, that were subsequently corrected, we are not aware of any material modifications that should be made to NHTSA's fiscal year 2019 Drug Control Obligation Summary and Performance Summary reports in order for them to be in compliance with the Circular.



January 31, 2020

Director, Office of Policy, Research, and Budget Office of National Drug Control Policy 750 17th St., N.W. Washington, DC 20503

#### Dear Director:

This report presents the results of our independent review of the National Highway Traffic Safety Administration's (NHTSA) fiscal year 2019 Drug Control Obligation Summary and Performance Summary reports to the Office of National Drug Control Policy (ONDCP). We received NHTSA's original Obligation Summary and Performance Summary reports on December 20, 2019. However, those reports contained significant errors and omissions that required corrections. NHTSA addressed the errors and omissions and provided corrected reports on January 23, 2020. The reports and our review are required by 21 USC § 1704(d) and ONDCP's Circular entitled *Accounting of Drug Control Funding and Performance Summary* (Circular), dated May 8, 2018.

The Circular states that when drug-related obligations total less than \$50 million and a detailed accounting would constitute an unreasonable burden, agencies are permitted to submit alternative reports. Because its drug-related obligations for fiscal year 2019 totaled less than \$50 million, NHTSA submitted alternative reports. We reviewed NHTSA's reports and related management assertions to determine the reliability of those assertions compliance with the Circular in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. An attestation review is substantially more limited in scope than an examination, which would express an opinion on the accuracy of NHTSA's Drug Control Obligation Summary and Performance Summary reports. Because we conducted an attestation review, we do not express such an opinion.

FI2020018 1

## **Drug Control Obligations Summary**

NHTSA's original fiscal year 2019 Drug Control Obligation Summary report, received on December 20, 2019, included \$19,164,178 in total obligations. We performed review procedures on the report according to the Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we tested selected accounting internal controls to ensure drug control funds were properly identified in the accounting system.

After we received the report, NHTSA identified significant errors that required correction. For example, a \$3,115,000 obligation from fiscal year 2018 was included in the fiscal year 2019 report. NHTSA also needed to revise and add certain footnotes to the report. NHTSA addressed these errors and omissions and provided a corrected report on January 23, 2020 (enclosure 1), resulting in a corrected total of \$18,919,178 in obligations, a net decrease of \$245,000.

We reviewed the corrected \$18,919,178 in obligations and traced those obligations to the Department of Transportation's accounting system and found no exceptions. Additionally, we reviewed all underlying contracts and agreements supporting the obligations and found no exceptions.

## Performance Reporting Summary and Assertions

NHTSA's performance target for fiscal year 2019 was to increase training of law enforcement officers in detecting drug impaired drivers. NHTSA indicated that it met its performance target.

We performed review procedures on NHTSA's fiscal year 2019 Performance Summary Report and management's assertions. We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the Circular's criteria. Specifically, we reviewed NHTSA's internal controls for performance measures to gain an understanding of how the measures were developed.

During our review, we determined that NHTSA did not include a required assertion in its original report received on December 20, 2019, related to its performance reporting system being appropriate and applied. NHTSA addressed this omission and provided a corrected report on January 23, 2020 (enclosure 2).

Other than the matters discussed above, that were subsequently corrected, no material modifications that should be made to NHTSA fiscal year 2019 Drug Control Obligation

FI2020018 2

Summary and Performance Summary reports in order for them to be in compliance with the Circular.

We appreciate the cooperation and assistance of the Department of Transportation's representatives. If you have any questions about this report, please call me at (202) 366-1407, or George Banks, Program Director, at (202) 420-1116.

Sincerely,

Louis C. King

Assistant Inspector General for Financial and Information Technology Audits

cc: The Secretary

Runker

DOT Audit Liaison, M-1

NHTSA Audit Liaison, NFO-200

FI2020018 3



National Highway Traffic Safety Administration 1200 New Jersey Avenue, SE Washington, DC 20590

James W. Carroll Jr.
Director, Office of National Drug Control Policy
Executive Office of the President
750 17th Street, NW
Washington, DC 20503

#### Dear Director Carroll:

In accordance with the Office of National Drug Control Policy Circular: Accounting of Drug Control Funding and Performance, issued May 8, 2018, the National Highway Traffic Safety Administration's (NHTSA) Fiscal Year (FY) 2019 Drug Control Obligation Summary is enclosed. Since NHTSA's obligations for drug related activities fall below the reporting threshold of \$50 million, only a limited report is required to satisfy the statutory requirement.

During Fiscal Year 2019 NHTSA obligated \$18,919,177.98 on drug control activities. Of that amount, \$1,738,103.75 was obligated for research directed at drug impaired driving and measures to reduce it. Activities during FY 2019 included continued research to identify the potential of a wide range of drugs that might impair driving and publication of updates to drugs and human performance fact sheets. Efforts to analyze drugged driving investigations and associated sanctions and to understand safety culture and cannabis use also began in FY 2019.

NHTSA obligated an additional \$7,151,391.60 for program development and support activities. These included technical support to the International Association of Chiefs of Police (IACP) for drug impaired driving training for law enforcement officers, support for organizing and conducting the annual training conference on alcohol and drug impaired driving, general operating expenses support to NHTSA, and support to the Transportation Safety Institute for drug-impaired driving law enforcement training.

NHTSA also awarded \$2.3 million to IACP to expand Drug Recognition Expert and Advanced Roadside Impaired Driving Enforcement training for law enforcement. Funds were also obligated to the Governors Highway Safety Association for this purpose. Drug-impaired driving training and education support for prosecutors and judges to adjudicate cases were also supported during FY 2019. Support for the National Sobriety Testing Resource Center and the Drug Recognition Expert Data System continued during FY 2019. The system continues its transition to a new data support platform. Funding obligations to both SVC Stars II, LLC for new system development and Syneren Technologies, Inc. for operation and maintenance continued to be made during FY 2019. NHTSA also funded a FY 2019 project on marijuana impaired driving continuing education for medical professionals.

NHTSA continued to support a drug-impaired driving initiative in concert with its alcohol-impaired driving National mobilizations and State and local efforts, through the continued development and distribution of communications and media materials. During FY 2019 NHTSA obligated \$10,029,682.63 on drug-impaired driving specific ad campaigns to raise awareness about the dangers of drug-impaired driving.

Finally, in *The Consolidated Appropriations Act, 2018*, Congress provided NHTSA with an additional \$5,000,000.00 to address impaired driving in FY 2018-2019. NHTSA obligated \$2,958,071.55 of those funds in FY 2019 for drug-impaired driving programs and activities. The following year, *The Consolidated Appropriations Act, 2019* provided additional funds in the amount of \$7,000,000.00 for FY2019-2020, to be available for program activities, and other innovative solutions to reduce impaired-driving fatalities. During FY 2019, \$1,300,000.00 of these funds were obligated for drug-impaired driving communications and media activities and \$656,760.00 were obligated for program activities.

The Table of NHTSA's FY 2019 Drug-Impaired Driving Obligations is enclosed.

NHTSA's point of contact for this report is John Marshall, Director, Office of Safety Programs. He can be reached at (202) 366-3803, if further assistance is required.

Sincerely yours,

Cynthia Parker

Chief Financial Officer

**NHTSA** 

**Enclosures** 

## Table of NHTSA's FY 2019 Drug-Impaired Driving Obligations\*

Vendor	Project	Fund	FY	Sub BPAC	Amount
		search			
	IX.		Г	T	T
Alan C Katz, Toxcel LLC	Update NHTSA's Drug and Human Performance Fact Sheets	80161819HS	2019	2002000100	\$97,823.00
Battelle Memorial Institute	Examine Clinical Research Evaluating Drug Effects on Behavioral Performance Tests	80161819HS	2019	2002000100	\$284,563.00
Dunlap and Associates Inc	Analysis of Drugged Driving Investigations and Sanction	80161819HS	2019	2002000100	\$380,039.00
Dunlap and Associates Inc	Analysis of Drugged Driving Investigations and Sanctions	80161919HS	2019	2002000100	\$207,712.00
Western Transportation Institute at Montana State University	Traffic Safety Culture and Impaired Driving	80161819HS	2019	2002000100	\$238,714.00
National Opinion Research Center	Examine Issues with Prosecuting DUID Cases	80161919HS	2019	2002000100	\$529,252.75
			TOTAL	Research	\$1,738,103.75
	Pr	ogram			
International Association of Chiefs of Police	Annual Drugs, Alcohol and Impaired Driving Conference	06501819ID	2019	200201000A	\$61,526.26
International Association of Chiefs of Police	Drug Impaired Driving Grants	06501819ID	2019	200201000A	\$2,300,000.00
International Association of Chiefs of Police	Drug Evaluation and Classification Program	80161919HS	2019	2002070000	\$783,533.00
International Association of Chiefs of Police	Drug Evaluation and Classification Program	80161919HS	2019	2002360000	\$58,059.00

Community Anti-Drug Coalitions of America (CADCA)	Online Impaired Driving Toolkit Update and Best Practice Guide	80161919HS	2019	2002010000	\$300,000.00
DOT OST-R TSI	Transportation Safety Institute 1 Year Agreement	80161919HS	2019	2002070000	\$17,873.99
DOT OST-R TSI	Transportation Safety Institute 2 Year Agreement	80161920HS	2019	2002070000	\$158,005.00
National Association of Drug Court Professionals	DWI Court Training and Technical Assistance	80161919HS	2019	2002010000	\$700,085.00
National Association of Drug Court Professionals	DWI Court Training and Technical Assistance	80161919HS	2019	2002010000	\$221,306.00
Governors Highway Safety Association	DRE Training Grants	06501819ID	2019	200201000A	\$133,855.78
National Association of Prosecutor Coordinators	DUID Training for Prosecutors	06501819ID	2019	200201001A	\$50,000.00
MedScape WebMD	Marijuana and Driving Continuing Medical Education Recommendations <sup>i</sup>	06501819ID	2019	200201000A	\$366,988.01
National Judicial College	DUID Education for Judges	80161819HS	2019	2002010000	\$68,090.00
National Judicial College	DUID Education for Judges	80161919HS	2019	2002010000	\$3,210.00
American Bar Association	DUID Education for Judges	06501920.ID	2019	200201000A	\$585,460.00
SVD Stars II LLC	Information Technology Support Services	80161919HS	2019	2002010000	\$399,179.00
SVD Stars II LLC	Information Technology Support Services	80161919HS	2019	2002070000	\$109,467.00
SVD Stars II LLC	Information Technology Support Services	80161919HS	2019	2002360000	\$440,821.00
Syneren Technologies Corporation	Standardized Field Sobriety Testing Drug Evaluation and Classification Program Database	80161919HS	2019	2002010000	\$129,298.50
Syneren Technologies Corporation	Standardized Field Sobriety Testing Drug Evaluation and Classification Program Database	80161919HS	2019	2002010000	\$45,701.50
Syneren Technologies Corporation	Standardized Field Sobriety Testing Drug Evaluation and Classification Program Database	80161919HS	2019	5206340000	\$44,817.03

Syneren Technologies Corporation	Standardized Field Sobriety Testing Drug Evaluation and Classification Program Database	80161919HS	2019	2002010000A	\$73,582.53
Syneren Technologies Corporation	Standardized Field Sobriety Testing Drug Evaluation and Classification Program Database	80161919HS	2019	2002360000	\$100,533.00
			TOTAL	Program	\$7,151,391.60
	Communication	ns and Med	lia**		
STRATACOM	Drug Driving Behavioral and Social Norming Campaign	06501920ID	2019	5205750000	\$1,000,000.00
STRATACOM	Drug Driving Behavioral and Social Norming Campaign	06501819ID	2019	5205750000	\$14,047.00
STRATACOM	Statutorily-Mandated Advertising – Drug- Impaired Driving	18X9202009	2019	240209000	\$7,770,000 <sup>ii</sup>
TOMBRAS GROUP	National and Regional Media and Communications Support Services - Drugged Driving	06501920ID	2019	5205750000	\$300,000.00
TOMBRAS GROUP	National and Regional Media and Communications Support Services - Drugged Driving	80161919HS	2019	5205750000	\$50,000.00
TOMBRAS GROUP	National and Regional Media and Communications Support Services - Drugged Driving	80161919HS	2019	5205750000	\$95,635.63
Advertising Council, Inc.	Drugged Impaired Driving Social Norming Campaign	80161919HS	2019	5205750000	\$800,000.00
		TOTAL Com	ns	\$10,029,682.63	
		TOTAL OBL			
	<u>\$18,919,177.98</u>				

<sup>&</sup>lt;sup>i</sup>The MedScape WebMD Proposals Report under the Cooperative Agreement is included as a separate enclosure. "MedScape Spotlight on Marijuana Recommendations."

<sup>&</sup>lt;sup>ii</sup> NHTSA obligated \$4,550,000.00 for the drugged driving campaign for the August 2019 mobilization and an additional \$3,220,000.00 for the drugged driving campaign for the December 2019 mobilization.

<sup>\*</sup>Multiyear Funding: Funds provided for ONDCP activities may include funding from multi-year accounts. Obligations for these activities will occur over the full period of availability of those funds.

<sup>\*\*</sup>Communications & Media Funding: The ONDCP plan may not include the full extent of reportable obligations due to post-enactment decisions on type and amount of reportable activities.



National Highway Traffic Safety Administration 1200 New Jersey Avenue, SE Washington, DC 20590

James W. Carroll Jr. Director Office of National Drug Control Policy Executive Office of the President 750 17th Street NW Washington, DC 20503

Dear Acting Director Carroll:

In accordance with the Office of National Drug Control Policy Circular: Accounting of Drug Control Funding and Performance, issued May 8, 2018, the National Highway Traffic Safety Administration's Fiscal Year 2019 Drug Control Performance Summary Report is enclosed. Since NHTSA's obligations for drug related activities fall below the reporting threshold of \$50 million, only a limited report is required to satisfy the statutory requirement.

NHTSA has established a series of performance measures based on critical milestones in the development of improved methods to measure the drug-impaired driving problem, understand the role of drug use in crash causation, and assist law enforcement in detecting, arresting and prosecuting drug-impaired drivers.

#### ASSERTIONS

Performance reporting system is appropriate and applied: NHTSA contributes to the National Drug Control Strategy by reducing the prevalence of drug-impaired drivers on the nation's roadways. However, given the current state of knowledge, direct measures of drug-impaired driving problem are not available. Given this limitation, to chart progress toward valid measurement of this problem, NHTSA has established a series of performance measures based on critical milestones in the development of improved methods for developing drug-impaired driver countermeasures. Each performance measure includes a system to capture performance information accurately and control mechanisms that ensure that the system was properly applied to generate the data in support of the measure.

The legalization of cannabis, the opioid crisis and the increased use of both licit and illicit drugs has implications for drug-impaired driving and highway safety. During 2018, 36,560 people were killed in motor vehicle crashes on America's roads. Almost 30% of those involved an alcohol-impaired driver. Data about the number of persons killed in drug-impaired driving is less well known. There is a large group of drugs that have the potential to impair driving and cause crashes. However, trends show an increase in the number of drivers testing positive for marijuana and other drugs that can impair driving, but specific drug concentration levels can't be reliably equated with a specific degree of driver impairment.

NHTSA promotes research and programs to help States and local jurisdictions combat drug-impaired driving. Among the best tools to combat drug-impaired driving are Advanced Roadside Impaired Driving Enforcement (ARIDE) and Drug Recognition Expert (DRE) training for law enforcement officers to observe, identify, and articulate the signs of impairment related to drugs. NHTSA funds the International Association of Chiefs of Police (IACP) to administer the Drug Evaluation and Classification Program which includes regularly updating curricula, delivering training, and issuing credentials to law enforcement officers who have successfully completed the training DRE training program. As of CY2018, there were 9,116 certified DREs in all 50 states, DC and Guam; approximately 1,500 DRE instructors; and a DRE Coordinator in every state. Additionally, many thousands of law enforcement officers are trained in ARIDE each year, including 13,832 trained in CY2018.

In the Consolidated Appropriation Act of 2018, the Committee on Appropriations communicated concern about the increasing rates of impaired driving, particularly in States that adopt measures to decriminalize marijuana. The Committee

recognizes the importance of impaired driving countermeasures at the community level in protecting public safety, and encourages NHTSA to expand its efforts with law enforcement to increase awareness and use of Drug Recognition Expert [DRE] and Advanced Roadside Impaired Driving Enforcement [ARIDE] training, particularly in States that have adopted recreational or medicinal marijuanalaws.

NHTSA continually engages in efforts to expand the numbers of DRE and ARIDE trained law enforcement officers in: The United States. NHTSA's investments in this law enforcement training included: A December 2018, award of more than \$137,000 to the Governors Highway Safety Association fund training to increase the numbers of ARIDE and DRE trained officers in Delaware, Kentucky, Massachusetts, Oklahoma, West Virginia and Guam; a July 2019 award of \$2.3 million to the IACP to stimulate additional ARIDE and DRE training. The program will award twenty contracts, not to exceed \$88,750, to reimburse allowable expenses for delivery of DRE Schools and ARIDE classes to law enforcement officers, prosecutors and judges; and, in August 2019, NHTSA supported IACP's Annual Training Conference on Drugs, Alcohol and Impaired Driving, the largest training conference for DREs, law enforcement professionals, toxicologists, prosecutors, and traffic safety practitioners in the world.

Explanations for not meeting performance targets are reasonable: Target met.

**Methodology to establish performance targets is reasonable and applied:** NHTSA, working with the IACP, yearly develops a training calendar for the delivery of DRE and ARIDE classes Nationwide. The numbers of students attending the classes are tracked.

Adequate performance measures exist for all significant drug control activities: The measures used to describe the agency's drug-impaired driving program performance, including DRE and ARIDE training, adequately reflect key steps toward the completion of necessary program activities to support the agency 's mission to save lives, prevent injuries and reduce economic costs due to road traffic crashes. These performance measures provide a meaningful assessment of progress toward the development of reliable and accurate assessments of the drug-impaired driving problem in the United States, and efforts to enforce laws that prohibit impaired driving on America's roads. The number of credentialed DREs in the U. S. increased from 6,940 in 2012 to 9,116 in 2018, a 31% increase. ARIDE trainings totaled more than 95,000 law enforcement officers trained since 2012.

NHTSA's point of contact for this report is John Marshall, Director, Office of Safety Programs. He can be reached at 202-366-3803, if further assistance is required.

Sincerely yours,

Jon Krohmer

Acting Associate Administrator for Research and Program Development

Krohnen, no

Enclosure

#### National Highway Traffic Safety Administration Drug-Impaired-Driving Program

#### Performance Summary Report Fiscal Year 2019

#### **Performance Measures Overview**

The FY 2016 National Drug Control Strategy included a special focus area chapter on drugged driving. The Strategy points out that ONDCP, working with NHTSA, has continued to focus on providing law enforcement with tools that improve their ability to identify drugged drivers on the road. ARIDE and DRE are the best tools for training law enforcement officers to detect driving impairment by drugs other than alcohol.

NHTSA contributes to the National Drug Control Strategy by reducing the prevalence of drug-impaired drivers on the Nation's roadways. However, given the current state of knowledge, meaningful measures of the drug-impaired-driving problem are not available. To chart progress toward valid measurement of this problem, NHTSA has established a series of performance measures based on critical milestones in the development of improved methods to assist law enforcement in detecting drug-impaired drivers, and in developing valid and reliable measures of the drug-impaired driving problem. The specific performance measures are shown below:

#### **Recent Performance Measures**

The FY 2017 performance measure assessed NHTSA's progress in increasing the standardization of toxicology testing in post-mortem and DUID cases. The study provides detailed information on the participating laboratories standard practices and procedures, including information on the volume of cases handled in the pastyear, the types of drugs tested for, the thresholds of detection for individual drugs, and the number and types of drugs found in impaired-driving cases. The study provides information to all toxicology laboratories on consistent procedures for drug testing in post-mortem and DUID cases. The study supports NHTSA's efforts to achieve greater standardization through voluntary compliance with recommendations for toxicology testing.

The FY 2018 performance measure completed testing of five oral fluid drug screening devices designed for law enforcement use at the roadside or at a booking facility. Normally, an officer would have to obtain either consent or a search warrant for blood sample collection and testing. At many laboratories, drug test results are not available for months. Oral fluid drug screening devices, if found to be accurate and reliable, are likely to increase law enforcement's ability to bring impaired-driving charges against drivers impaired by drugs.

#### **Current and Future Performance Measures**

The FY 2019 performance measure is to increase training of law enforcement officers in detecting drug impaired drivers. NHTSA, in cooperation with the International Association of Chiefs of Police, administers the Drug Evaluation and Classification Program (DECP) that includes a rigorous training program to train law enforcement officers as Drug Recognition Experts (DREs). DREs use a standardized 12-step process to determine impairment and to identify the category of drug used by a suspected impaired driver. Blood toxicology is used to verify the drug that may have been used.

The FY 2020 National Drug Control Program Agency-Specific Guidance to the Department of Transportation included guidance to "identify in its budget submission any resources that contribute to our joint nationwide effort to reverse the Nation's opioid epidemic and reduce the incidence of overdose death." Although the FY 2020 performance measure seeks to increase the number of States using the NEMSIS Version 3 data system, NHTSA began a project in FY 2018 to revise the National EMS Scope of Practice Model by adding the use of narcotic antagonists, i.e. Naloxone at all levels of EMS personnel. Unit-dose, premeasured, intranasal, and autoinjector narcotic antagonists were added to the Emergency Medical Responder (EMR) and Emergency Medical Technician (EMT) levels. This work also resulted in the development and publication of an Evidence-Based Guideline for the administration of Naloxone in the pre-hospital care environment.

#### **Prior Year Performance Targets and Result**

NHTSA has met its performance targets each year since 2008. The table below shows actual performance for the past targets since FY 2017, along with current and future performance measures and targets:

#### **Current and Future Years Performance Targets**

Drug-im	Drug-impaired - Driving Program						
FY	Selected Measures of Performance	FY Target	Actual FY Performance				
2017	Work toward greater uniformity in toxicological testing in post-mortem and DUID cases	Document current toxicology laboratory practices for DUID and post-mortem analysis	Study completed. The report Contains information on current practices and makes recommendations for minimum standards for toxicology test i ng.				
2018	Laboratory testing of oral fluid drug screening devices Ito determine accuracy and reliability	Complete testing to determine sensitivity, specificity, false positive and false negative rates for each device tested	The Study is Complete. The publication attached is in final draft. It is not for public dissemination.				
2019	detecting drug-impaired	Increase the number of officers trained in ARIDE and DRE by 10 percent	The number of DREs increased from 6,940 in 2012 to 9,116 in to 2018 - a 31% increase. ARIDE trainings totaled more than 95,000 since 2012.				
2020	Number of States and Territories submitting INEMSIS Version 3 data Ito the National EMS Database.	Increase to 44 the number of States and Territories submitting INEMSIS Version 3 data to the National EMS Database					

#### **Quality of Performance Data**

This most recent performance measure and target to increase the numbers of ARIDE and DRE trained law enforcement officers is a continuous effort by NHTSA. The ability to observe, identify and articulate evidence of impairment by drugs, other than alcohol, is complex. ARIDE and DRE training is the best resource available to the criminal justice system to remove from the roadway, adjudicate and reduce recidivism of drug-impaired drivers. NHTSA manages the Drug Evaluation and Classification Program (DECP), which includes DRE and ARIDE training development and delivery, through a cooperative agreement with the IACP. In addition, every State and DC employs a DRE State Coordinator, who: is responsible for the daily operations of the State's DEC program; ensuring the program complies with the IACP DECP International Standards or equivalent state standards; acts as an information clearinghouse and central communications point for the program with the state; assists in the coordination of DRE training and other support activities for all agencies participating in the program within the state including the assignment of DRE School Course Managers and instructors; and provides justification and reports on the effectiveness of their State's program. Additionally, the IACP maintains, supports and coordinates a training calendar for all ARIDE and DRE classes held each year in the States.

The performance measures used by NHTSA provide a meaningful assessment of progress toward the development of reliable and accurate measures of the drug-impaired-driving problem in the United States.

#### **Additional FY 2019 Performance Information**

During FY 2018 NHTSA initiated a drug-impaired driving initiative beginning on Thursday, March 15, 2018 with a

Summit at the US DOT Headquarters that brought together keystakeholders, including safety partners, data and policy experts, law enforcement and criminal justice professionals, toxicologists and drug recognition experts to start a national dialogue on how to combat drug-impair d driving. This initiative has continued with a series of meetings across the Nation to develop "Ideas to Impact" the drug-impaired driving problem and includes the establishment of two expert panels- State Criminal Justice Systems and Toxicology and Data Collection- to inform the Call to Action initiative. The initiative has also developed new safety campaign messaging, *If You Feel Different, You Drive Different*. The campaign builds on national efforts to combat drunk driving and the emerging trend of drug-impaired driving with the message *If You Feel Different, You Drive Different; Drive High Get a DUI.* This initiative was continued during FY 2019.



### **Our Mission**

OIG conducts audits and investigations on behalf of the American public to improve the performance and integrity of DOT's programs to ensure a safe, efficient, and effective national transportation system.





Inspector General Review of the Federal Aviation Administration's Fiscal Year 2019
Drug Control Funds and Performance
Summary Reporting

Report No. FI2020017 January 31, 2020



# Highlights

# Inspector General Review of the Federal Aviation Administration's Fiscal Year 2019 Drug Control Funds and Performance Summary Reporting

Required by the Office of National Drug Control Policy Circular, Accounting of Drug Control Funding and Performance Summary

FI2020017 | January 31, 2020

#### What We Looked At

Under the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary* (Circular), when drug-related obligations total less than \$50 million and a detailed accounting would be an unreasonable burden, agencies may submit alternative reports. For this reason, the Federal Aviation Administration (FAA) submitted alternative Drug Control Obligation Summary and the Performance Summary reports. We reviewed the reports and related management assertions to determine the reliability of those assertions compliance with the Circular in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. Specifically, we reviewed selected accounting internal controls to determine whether drug control funds were properly identified in the accounting system. In addition, we reviewed FAA's internal controls for performance measures to gain an understanding of how the measures were developed. We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the Circular's criteria.

#### What We Found

FAA's Drug Control Obligation Summary identified \$20,516,000 of obligations from two of FAA's drug control decision units. When we traced those obligations, we found no material exceptions. FAA's performance targets for fiscal year 2019 were to: initiate regulatory investigations on 95 percent of all airmen involved in the sale or distribution of illegal drugs within 30 days of knowledge of a conviction or notification by law enforcement, ensure the aviation industry conducts random drug and alcohol testing of safety sensitive employees with results not exceeding 1 percent positives for drugs and 0.5 percent positives for alcohol, and conduct 1,205 drug and alcohol inspections of the aviation industry to ensure compliance with Federal regulations. FAA indicated that it met its performance targets.

Based on our review, we are not aware of any material modifications that should be made to FAA's fiscal year 2019 Drug Control Obligation Summary and Performance Summary reports in order for them to be in accordance with the Circular.



January 31, 2020

Director, Office of Policy, Research, and Budget Office of National Drug Control Policy 750 17th St., N.W. Washington, DC 20503

#### Dear Director:

This report presents the results of our independent review of the Federal Aviation Administration's (FAA)'s fiscal year 2019 Drug Control Obligation Summary and Performance Summary reports to the Office of National Drug Control Policy (ONDCP). We received FAA's report on December 16, 2019. The report and our review are required by 21 USC § 1704(d) and ONDCP's Circular entitled *Accounting of Drug Control Funding and Performance Summary* (Circular), dated May 08, 2018.

The Circular states that when drug-related obligations total less than \$50 million and a detailed accounting would constitute an unreasonable burden, agencies are permitted to submit alternative reports. Because its drug-related obligations for fiscal year 2019 totaled less than \$50 million, FAA submitted alternative reports. We reviewed FAA's reports and related management assertions to determine the reliability of those assertions compliance with the Circular in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. An attestation review is substantially more limited in scope than an examination, which would express an opinion on the accuracy of FAA's Drug Control Obligation Summary and Performance Summary reports. Because we conducted an attestation review, we do not express such an opinion.

FI2020017 1

## **Drug Control Obligations Summary**

We performed review procedures on FAA's fiscal year 2019 Drug Control Obligation Summary (see enclosure) according to the Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we tested selected accounting internal controls to ensure drug control funds were properly identified in the accounting system.

We reviewed \$20,516,000 of obligations from two of FAA's drug control decision units—Aviation Safety/Aerospace Medicine and Security and Hazardous Materials Safety—and traced those obligations to the Department of Transportation's accounting system. We determined the reported obligations were \$12,000 more than the amounts recorded in the accounting system. We consider this to be immaterial and did not pursue the difference.

Additionally, we sampled 17 Aviation Safety/Aerospace Medicine obligation transactions totaling \$3.752M out of a universe of \$16.436M. We were able to verify the obligation amounts for all 17 sample items with supporting documentation. We also sampled 21 Security and Hazardous Materials Safety transactions for obligation amounts totaling \$3.135M out of the universe of \$4.080M. We were able to verify the obligation amounts for all 21 sample items with supporting documentation.

## Performance Reporting Summary and Assertions

FAA's performance targets for fiscal year 2019 were to: initiate regulatory investigations on 95 percent of the airmen involved in the sale or distribution of illegal drugs within 30 days of knowledge of a conviction or notification by law enforcement, ensure the aviation industry conducts random drug and alcohol testing of safety sensitive employees with results not exceeding 1 percent positives for drugs and 0.5 percent positives for alcohol, and conduct 1,205 drug and alcohol inspections of the aviation industry to ensure compliance with Federal regulations. FAA indicated that it met its performance targets.

We performed review procedures on FAA's fiscal year 2019 Performance Summary Report (see enclosure) and management's assertions. We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the Circular's criteria. Specifically, we reviewed FAA's internal controls for performance measures to gain an understanding of how the measures were developed.

FI2020017 2

Based on our review, we are not aware of any material modifications that should be made to FAA's fiscal year 2019 Drug Control Obligation Summary and Performance Summary reports in order for them to be in accordance with the Circular.

We appreciate the cooperation and assistance of the Department of Transportation's representatives. If you have any questions about this report, please call me at (202) 366-1407, or George Banks, Program Director, at (202) 420-1116.

Sincerely,

Louis C. King

Assistant Inspector General for Financial and

Information Technology Audits

cc: The Secretary

Runkes

DOT Audit Liaison, M-1 FAA Audit Liaison AAE-100

FI2020017 3



Assistant Administrator for Financial Services and Chief Financial Officer

800 Independence Ave. SW Washington, D.C. 20591

DEC 1 3 2019

Dr. Terry Zobeck Associate Director for Research and Data Analysis Office of the National Drug Control Policy 750 17<sup>th</sup> St., NW Washington, DC 20503

Dear Dr. Zobeck:

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: Accounting of Drug Control Funding and Performance Summary issued May 8, 2018, the Federal Aviation Administration's (FAA) Fiscal Year 2019 Performance Summary 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 Agency selected two performance measures for Aviation Safety (AVS) and one performance measure for Security and Hazardous Materials (ASH) for FY 2019 to assess its success in reducing the prevalence of drug and alcohol-impaired personnel who perform sensitive duties within the aviation industry and in initiating regulatory action against airmen involved in the sale or distribution of illegal drugs. These performance measures reflect a critical milestone in the goal to promote the safety and security of the national airspace and the flying public. These performance measures are:

- Initiate regulatory investigations on 95% of all airmen involved in the sale or distribution of illegal drugs within 30 days of knowledge or a conviction or notification by law enforcement (ASH).
- 2. Ensure the aviation industry conducts random drug and alcohol testing of safety-sensitive employees with results not exceeding one percent (1%) positives for drugs and one-half percent (0.5%) positives for alcohol (AVS).
- Conduct 1,205 FAA drug and alcohol inspections of the aviation industry to ensure compliance with 14 CFR part 120 and 40 CFR part 49 (AVS).

#### Assertions

Performance reporting system is appropriate and applied: Performance
information for the first measure relies on official Agency data residing in the
Investigations Tracking System (ITS) and Enforcement Information System (EIS)<sup>1</sup>.
Data resident in ITS/EIS includes: the date of the offense, when first known to FAA,
start date of the action, source of the information, and final sanction.

For measures two and three, the information relies on surveys conducted by the Agency of all part 121 operators and all other employers with 50 or more safety-sensitive

ITS and EIS are FAA's system for tracking investigations and information about enforcement actions for statutory or regulatory violations.

employees. The latter provide to FAA an annual report of their testing results. The remaining employers with 49 or fewer safety-sensitive employees are randomly chosen to submit an annual report.

No performance measure was reported for the Air Traffic Organization because its work structure does not lend itself to the development and tracking of such metrics and is not cost-effective to the government to do so.

- 2. Explanations for not meeting performance targets are reasonable: Targets met.
- 3. Methodology to establish performance targets is reasonable and applied: Data collection for the first measure is based on official FAA databases. For the last two measures, the Department of Transportation (DOT) requires the Agency to determine these measures using the Drug and Alcohol Management Information System (DAMIS) reporting. Due to the reporting methodology, this sampling of DAMIS reporting is always one calendar year behind. Additional information can be found in the enclosed Summary Reports.
- 4. Adequate performance measures exist for all significant drug control activities: The measures used to describe the Agency's performance adequately reflect key steps toward the prevention and detection of drug related activities in the national airspace system. These measures provide a meaningful assessment of progress toward the development of safe and reliable airspace.

FAA's point of contact for this report is Peter Toman. He can be reached at (202) 267-5451, if further assistance is required.

Sincerely,

Allison Ritman

Acting Chief Financial Officer

Enclosures

# Obligations Summary DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION

(Dollars in Millions)

#### RESOURCE SUMMARY

NESSONEE SOMMANT	FY 2019 Enacted	FY 2019 Actual
Drug Resources by Budget Decision Unit and Function:		
Decision Unit: Air Traffic Organization		
Intelligence Interdiction	\$11.740	\$11.740
International	\$0.000	\$0.000
Investigations	\$0.000	\$0.000
Prevention	\$0.000	\$0.000
Prosecution	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$0.000	\$0.000
Treatment	\$0.000	\$0.000
Total, Air Traffic Organization	\$11.740	\$11.740
Decision Unit: Aviation Safety/Aerospace Medicine		
Intelligence Interdiction	\$0.000	\$0.000
International	\$0.000	\$0.000
Investigations	\$1.190	\$1.443
Prevention	\$17.500	\$14.992
Industry	\$11.900	\$10.031
Internal	\$5.600	\$4.962
Prosecution	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$0.000	\$0.000
Treatment	\$0.000	\$0.000
Total, Aviation Safety/Aerospace Medicine	\$18.690	\$16.436
Desiring Units Consults and Househous Marketin Coffee		
Decision Unit: Security and Hazardous Material Safety	44 700	d2 040
Intelligence Interdiction	\$1.700	\$2.040
International	\$0.000	\$0.000
Investigations	\$0.000	\$0.000
Prevention	\$0.000	\$0.000
Prosecution	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$1.700	\$2.040
Treatment	\$0.000	\$0.000
Total, Security and Hazardous Material Safety	\$3.400	\$4.080
Drug Resources by Function:		
Intelligence Interdiction	\$13.440	\$13.780
International	\$0.000	\$0.000
Investigations	\$1.190	\$1.443
Prevention	\$17.500	\$14.992
Prosecution	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000
State & Local Assistance	\$1.700	\$2.040
Treatment	\$0.000	\$0.000
Total Funding	\$33.830	\$32.255
Drug Resources Personnel Summary		
Air Traffic Organization	59	59
Aviation Safety/Aerospace Medicine		
Investigations: Industry Drug Abatement	6	7
Prevention: Industry Drug Abatement	70	71
Prevention: Internal Substance Abuse Program	15	13
_		
Security & Hazardous Materials	21	22 173
Total FTEs (direct only)	171	172



# Memorandum

Date:

DEC 0 9 2019

To:

Allison Ritman, Chief Financial Officer

From:

Jeffrey 1. Marnell, Vice President (A), Management Services, AJG-0

Subject:

MNDQP/FY19 Financial Data/Performance Metrics Assertion

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issued January 18, 2013, the Air Traffic Organization asserts that its estimated obligation level in support of the Office of the National Drug Control Program (ONDCP) effort is \$11.74 Million. This correspondence is in response to the Office of the Inspector General's (OIG) notification to FAA of their intent to audit our agency's financial data in support of the ONDCP. It should be noted that the stated obligation level reported is a rough order of magnitude (ROM). The assertion made in this memo is based on the following factors:

- · ATO does not receive National Drug Control Program monies.
- ATO does not have structured programs specific to operational drug control efforts.
- ATO does not have (nor have we been required) to develop specific performance metrics for drug control efforts.
- FAA's total drug control obligations in FY2019 were less than \$50 million
- ATO has not been required (nor has it established procedures) to capture and quantify workload in support of ONDCP.
- The FTE baseline of 59 was established from a historical FTE level dating back to FY 2003.
- The 59 FTE baseline estimates ATO's drug control workforce which assists law enforcement agencies (LEA) on drug control activities.
- The rough order of magnitude (ROM) for FY 2019 of \$11.74 Million was calculated by applying the average PC&B costs for 59 FTE in an Air Route Traffic Control Center facility.

#### ATO drug control related activities

- 1. The Air Traffic Organization (ATO), as the FAA's operations component, is the country's primary air navigation services provider and responsible for the operational control of nation's airspace. In addition to supporting the safety and efficiency of aviation for air commerce, ATO collaborates with interagency partners to support national defense, homeland security, and law enforcement missions. This interagency cooperation includes air traffic management (ATM) support to the North American Aerospace Defense Command (NORAD), Customs and Border Protection (CBP), and other partners carrying out drug control missions in the National Airspace System (NAS).
- 2. ATM related support to drug control missions includes: a) standard air traffic control (ATC) services for government aircraft on missions; b) special handling of those same aircraft, specifically including flights performing surveillance; c) facilitation, including ATC tracking of suspect flights, of intercept, surveillance, and other missions; and d) identification and facilitating the response to suspicious aircraft.
- 3. The above support for drug control efforts are integral to the daily duties carried out by the agency's air traffic controllers, as well as ATO's air traffic security coordinators. This operational support is not broken out as separate drug control programs. In many cases, this support is provided as routine support to NORAD, or CBP and other LEA partners. The ATO personnel involved may not be aware that they are specifically assisting a drug control effort versus supporting any other type of defense, homeland security, or law enforcement mission.

# Federal Aviation Administration Industry Drug and Alcohol Testing Program Performance Summary Report Fiscal Year 2019

#### (1) Performance Measures

The Federal Aviation Administration (FAA) contributes to the National Drug Control Strategy by reducing the prevalence of drug and alcohol-impaired personnel from performing safety-sensitive duties in the aviation industry.

The Department of Transportation (DOT) requires the Agency to determine these measures using the Drug and Alcohol Management Information System (DAMIS) reporting. Each year, the FAA conducts a survey of every aviation employer that employees 50 or more safety-sensitive employees, and a random selection of employers that employ 49 or fewer safety-sensitive employees. These employers are notified to report their data showing the number of drug and alcohol tests conducted, and the number of positive test results, along with other miscellaneous information. Due to the reporting methodology, this sampling of DAMIS reporting is always one calendar year behind. For example, employers were required to report all testing they accomplished for calendar year 2018 by March 15, 2019. In an effort to ensure the most accurate data, the DOT allowed for late submissions until October 1, 2019, at which time no more entries were allowed. The most current reported data available is for calendar year 2018.

### (2) Prior Years' Performance Targets and Results

The prior year targets for 2013, 2014, 2015, 2016, and 2017 were fully achieved. Annual targets are determined by the DOT and require the positive test results for drugs to be less than 1.0% and the percentage of positive alcohol tests to be less than 0.5%.

The results for the prior years are as follows:

	· · · · · · · · · · · · · · · · · · ·			
Calendar	Total Drug	Percentage of	Total Alcohol	Percentage of
Year	Tests Reported	Random Positive	Tests	Random Alcohol
		Drug Tests	Reported	Violations
2013	193,048	0.485%	52,662	0.091%
2014	197,450	0.534%	52,177	0.106%
2015	225,139	0.523%	57,968	0.083%
2016	234,690	0.610%	58,581	0.121%
2017	240,254	0.659%	60,407	0.108%

# (3) Current Performance Targets

Because the methodology requires test reporting to be one calendar year behind, the current year is considered calendar year 2018. For this calendar year, the total drug tests reported were 257,683, resulting in 0.731% positive random drug tests. The total alcohol tests reported were 65,400, resulting in 0.099% random alcohol violations.

# (4) Quality of Performance Data

For calendar year 2018, the Drug Abatement Division required all employers to report their results for the year. As a result, the Division was able to clean up the database, and found that many companies were no longer in business (since the beginning of the reporting year, more have applied for new programs, leaving the Division with 6,719 regulated employers as of November 20, 2019.)

During our compliance inspections of covered employers, our inspectors verify the data submitted to DAMIS to ensure its integrity. In FY-2019, the Drug Abatement Division conducted 1,297 inspections.

The following chart indicates the number of employers that reported their data:

Calendar Year	Approximate	Number of	Approximate
	Number of Total	Reporting	Percentage of
	Regulated	Regulated	Reporting
	Employers	Employers	Employers Vs.
			Total Employers
2013	7,200	3,526	49%
2014	7,030	3,688	53%
2015	6,449	6,421	99.6%
2016	6,350	6,350	100%
2017	6,434	6,437	99.98%
2018	6,457	6,451	99.91%

# Federal Aviation Administration Law Enforcement Assistance Program Performance Summary Report Fiscal Year 2019

#### (1) Performance Measure

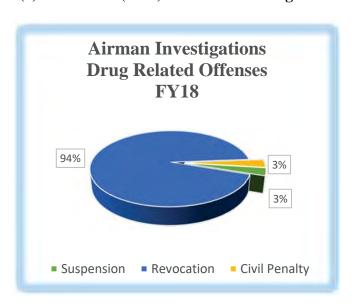
The Federal Aviation Administration's (FAA) Law Enforcement Assistance Program (LEAP) contributes to the National Drug Control Strategy by reducing access to the National Airspace System (NAS) by airmen known to the FAA to be involved in the sale or distribution of illegal drugs. The LEAP special agents provide extensive technical and administrative assistance, on a timely and continuous basis, to all Federal, State, local, tribal, territorial, and international law enforcement (LE) agencies engaged in drug interdiction efforts. These LEAP special agents have access to FAA data, not available to other agencies, that is critical to the development of investigations on airmen involved in illegal drug trafficking. The information FAA provides to LE assists them in the arrest and conviction of airmen and/or the seizure of aircraft.

By working jointly with LE, FAA learns of investigations and information that enables FAA to initiate regulatory enforcement investigations on airmen/aircraft suspected of drug trafficking; in many cases, these investigations result in the revocation of airman certificates, thus contributing to the safety and security of the national airspace system (NAS) and the flying public.

The FAA uses a single performance measure to assess the program. This performance measure reflects a critical milestone in the goal to promote the safety and security of the NAS and the flying public by restricting access to the NAS by airmen who have violated statutory and regulatory requirements for maintaining an airman certificate.

• PERFORMANCE MEASURE: Initiate regulatory investigations on 95% of all airmen involved in the sale or distribution of illegal drugs within 30 days of knowledge of a conviction or notification by law enforcement.

#### (2) Prior Year (2018) Performance Target and Results

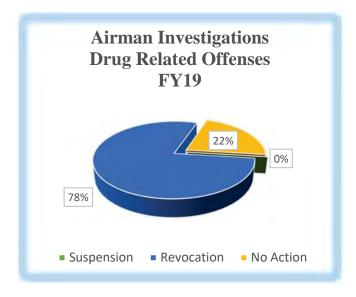


In FY 2018, FAA LEAP special agents initiated 16 investigations based on 16 notifications (100%) regarding airmen involved in the use, sale, or distribution of illegal drugs, within 30 days of knowledge of a conviction or notification by law enforcement. FAA later took regulatory actions against 31<sup>2</sup> of the airmen (100%) arrested for drugrelated offenses, thus impacting their ability to legally access the NAS. Those regulatory actions are depicted in the chart to the left. Significant action (revocation/suspension/civil penalty) was taken 100% of the time (31 of 31 investigations).

<sup>&</sup>lt;sup>1</sup> This number includes 5 investigations, not previously accounted for in FY 2017, which commenced in FY 2018 but for which investigation record numbers were assigned in FY 2018.

<sup>&</sup>lt;sup>2</sup> This includes regulatory action that was finalized from prior year investigations.

# (3) Current Year (2019) Performance Target and Results



In FY 2019, FAA LEAP special agents initiated 23 investigations based on 23 notifications (100%) regarding airmen involved in the use, sale, or distribution of illegal drugs, within 30 days of knowledge of a conviction or notification by law enforcement. In FY 2019, FAA LEAP has recommended regulatory action against 18 of the airmen involved in drug-related offenses, thus impacting their ability to legally access the NAS. Those regulatory actions are depicted in the chart to the left. Significant actions (revocation/emergency revocation) were recommended 78% of the time (18 of 23 investigations).

# (4) Summary of 2018 and 2019 Results

FY 2018 Target	FY 2018 Achieved	FY 2019 Target	FY 2019 Achieved
95%	100%	95%	100%

#### (5) Quality of Performance Data

Performance information for the measure relies on official agency data residing in the Investigations Tracking System (ITS) and Enforcement Information System (EIS).<sup>3</sup> Data resident in ITS/EIS includes: the date of the offense, when the FAA first became aware of the offense, the start date of the action, source of the information, and final sanction.

<sup>&</sup>lt;sup>3</sup> ITS and EIS are FAA's system for tracking investigations and information about enforcement actions for statutory or regulatory violations.



# **Our Mission**

OIG conducts audits and investigations on behalf of the American public to improve the performance and integrity of DOT's programs to ensure a safe, efficient, and effective national transportation system.



# Tab M



#### DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE WASHINGTON, D.C. 20224

March 16, 2020

MEMORANDUM FOR JON E. RICE

**BUDGET COORDINATOR & ASSISTANT DIRECTOR FOR** THE OFFICE OF PERFORMANCE AND BUDGET OFFICE OF NATIONAL DRUG CONTROL POLICY,

EXECUTIVE OFFICE OF THE PRESIDENT

FROM: Ursula S. Gillis Ursula S. Gillis Digitally signed by Ursula S. Gillis Date: 2020.03.16 12:06:05 -04'00'

Chief Financial Officer

SUBJECT: Accounting and Authentication – FY19 Drug Control Funds

The purpose of this memorandum is to transmit the IRS's FY 2019 Annual Accounting and Authentication of Drug Control Funds and Related Performance Report, as directed in the Office of National Drug Control Policy (ONDCP) Circular: Drug Control Accounting dated January 18, 2013.

The IRS's Criminal Investigation Management Information System (CIMIS) accurately compiles Direct Investigative Time and tracks the performance measure for Criminal Investigation's narcotics program. These components were properly used to generate the data in this report. Even though the IRS continues to lose investigative staff through attrition, which negatively affects performance measures, the IRS remains focused on conducting investigations of high-level transnational drug trafficking organizations.

We appreciate your recognition that the assertions in our Detailed Accounting Submission and Performance Summary Report are fairly presented in all material respects in accordance with the ONDCP's established criteria. We agree that the ONDCP circular contains the requirement that agencies provide a description of plans and schedules for meeting future goals in the event performance targets are not met. IRS, specifically IRS Criminal Investigation, worked with ONDCP over the past few months to update our performance measure methodology and we will include analyses of any significant variances in future reports.

If you have any questions, please contact Frank Turner, Assistant Director, Narcotics, Counterterrorism and Transnational Organized Crime, at 202-317-3897, or Kyle Brice, Senior Analyst, Review, Program and Evaluation, at 502-912-5200.

Attachment

# INTERNAL REVENUE SERVICE National Drug Control Program Agency Compliance Review

#### **DETAILED ACCOUNTING SUBMISSION**

# A. Table of Fiscal Year (FY) 2019 Drug Control Obligations

	Narcotics
Drug Resources by Function	<b>***</b>
Investigations	<u>\$61,832,720</u>
Total	\$61,832,720
Burn Baranna ku Basisian Huit	
Drug Resources by Decision Unit	
Narcotics Crimes	<u>\$61,832,720</u>
Total	\$61,832,720

# 1) Drug Methodology

- a) All Drug Control Obligations (the resources appropriated and available for these activities) are reported under one Drug Control Function and one Budget Decision Unit, as shown in the above chart.
- b) The Internal Revenue Service (IRS) Drug Control Budget encompasses the Criminal Investigation's (CI) Narcotics Program<sup>1</sup>. CI's overall Direct Investigative Time (DIT) applied to narcotics investigations for FY 2019 was 11.3 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, reduced by reimbursable funds and Earned Income Tax Credit (EITC) resources, 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 2017 and was effective for FY2018 and all subsequent fiscal years.

<sup>&</sup>lt;sup>1</sup> The IRS-CI Narcotics Program consist of five sub-programs that include; 1. Organized Crime Drug Enforcement Task Forces (OCDETF); 2. High Intensity Drug Trafficking Area (HIDTA); 3. HIDTA-OCDETF; 4. Terrorism-OCDETF; and 5. Narcotics-Other.

### 2) Methodology Modifications

No changes or modifications in the DIT computation methodology from the prior year were made.

## 3) Material Weaknesses or Other Findings

None

# 4) Reprogramming or Transfers

None

### 5) Other Disclosures

None

#### **B.** Assertions

# 1) Obligations by Budget Decision Unit

Obligations reported by the Budget Decision Unit are a result of applying DIT data derived from Criminal Investigation's Management Information System (CIMIS) to the actual obligations from the CI realized Financial Plan, less reimbursements and EITC funds.

# 2) Drug Methodology

The current methodology used to calculate obligations of prior-year budgetary resources has not changed from FY 2018 to FY 2019. There was no impact in the methodology in FY 2019 since the methodology in FY 2019 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 2019 in the CI Appropriated Enforcement Budget (excluding reimbursements and EITC).

#### b) Other Estimation Methods

None

### c) Financial Systems

The IRS Integrated Financial System (IFS) is the final authority for the IRS resource obligations and yields data which fairly presents drug related obligation estimates.

# 3) Application of Drug Methodology

The methodology disclosed in this section was the actual methodology used to generate the required table and meets all requirements described in Section 6 of the ONDCP Circular: Accounting of Drug Control Funding and Performance Summary. Calculations made using this methodology are sufficiently documented to independently reproduce all data and ensure consistency between reporting years.

# 4) Reprogramming or Transfers

The data presented is associated with obligations against a financial plan and properly reflects any revisions occurring during the fiscal year.

# 5) 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.

# C. Performance Summary Report

# 1) Performance Reporting

# a) Performance Measure (Modification from Prior Fiscal Years)

The Internal Revenue Service - Criminal Investigation's (CI) Narcotics Program supports the goals of the President's Strategy to Combat Transnational Organized Crime, the U.S. National Drug Control Strategy, and the National Money Laundering Strategy by seeking to reduce or eliminate the profits and financial gains of Transnational Criminal Organizations involved in narcotics trafficking and money laundering. CI has participated in the Organized Crime Drug Enforcement Task Force (OCDETF) program since its inception in 1982 and focuses its narcotics efforts almost exclusively on high-priority OCDETF cases where its contributions will have the greatest impact.

In FY19, the IRS reviewed its existing performance measures used by other agencies that support the National Drug Control Strategy as well as budget-level performance measures that are already used to address the effectiveness of IRS-CI activities.

As a result of the FY19 review, IRS determined that, due to numerous external factors impacting the current performance measures which are outside IRS's control, a modification of the performance measures is needed to better reflect Cl's contributions to interagency investigations. The new performance measure will solely include conviction rate. Focusing on this one performance measure is the product of collaborative discussions held in September 2019 by IRS and the Office of National Drug Control Policy.

This measure alone most accurately assesses CI's performance of its mission to serve the public by conducting investigations of potential violations of the Internal Revenue Code and related financial crimes (which narcotics investigations are an important component), to foster confidence in the tax system and enhance voluntary compliance with U.S. tax law.

The number of subject criminal investigations completed by CI will still be reported annually for informational purposes, but not as a performance measure. The most appropriate performance measure designed to assess IRS's contribution to the National Drug Control Strategy is the conviction rate.

A completed criminal investigation is defined as total subject criminal investigations completed by CI during a fiscal year, including those resulting in a prosecution recommendation to the DOJ, discontinuance due to lack of evidence, or a finding that the allegation was false (or other reasons). Many external factors, including prosecutorial resources and priorities, affect the number of investigations that are completed during a fiscal year.

Convictions are defined as the total number of subject criminal investigations with CIMIS status codes of; guilty plea, nolo-contendere, judge guilty, or jury guilty. Conviction rate is defined as the total number of subject criminal investigations with CIMIS status codes of; guilty plea, nolo-contendere, judge guilty, or jury guilty divided by these status codes nolle prosequi, judge dismissed, and jury acquittal.

### b) Prior Years Performance Targets and Results

The performance results for FY 2014 through FY 2018 are shown below:

	FY	FY	FY	FY	FY
	2014	2015	2016	2017	2018
Investigations Completed	862	1039	788	693	767
Convictions	584	601	695	542	483
Conviction Rate	91%	92.0%	90.6%	87.4%	89.6%

### c) Current Year Performance Targets and Results

CI calculated its year-end narcotics performance using the status date of investigations. The results for FY 2019 are shown below:

FY 2019 Narcotics Targets & Performance	FY 2019 Narcotics Targets	FY 2019 Performance Results
Investigations Completed	830	671
Convictions	581	474
Conviction Rate	90.1%	89.6%

 The decrease in the performance targets is due to the reduction in CI special agent staffing and that agents are being directed to work the most complex investigations, which focuses resources on fewer but more significant investigations.

# d) Fiscal Year 2020 Performance Targets Narcotics Cases:

The performance information for the IRS CI Narcotics program for FY 2020, as submitted to ONDCP (ONDCP Budget Submission):

Conviction Rate	90%
-----------------	-----

• The FY20 statistic was calculated using five years of performance results for criminal investigations' conviction rate.

# e) Quality of Performance Data

To ensure the reliability of data, all cases have unique numbers assigned in CIMIS which contain validity and business rule checks. The CIMIS database tracks the status of investigations from initiation through final disposition. The system has appropriate internal checks and balances to assure status updates are input in the proper order.

# D. Annual Accounting and Authentication of Drug Control Funds and Related Performance

# 1) Performance Measures Assertions

# a) Performance Reporting System is appropriate and applied

The IRS uses the CIMIS to capture performance information accurately and that system was properly applied to generate the performance data.

### b) Explanations for not meeting performance targets are reasonable

Explanations offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets are reasonable.

# c) Methodology to establish performance targets is reasonable and applied

The methodology described in the Performance Summary Report for FY 2019 to establish performance targets for the current year is reasonable given past performance and available resources.

# d) Adequate performance measures exist for all significant drug control activities

The IRS established at least one acceptable performance measure for each Drug Control Decision Unit identified in its Detailed Accounting of FY 2019 Drug Control Funds as required by § 6a(1)(A) for which a significant amount of obligations were incurred in the previous year.

#### 2) Criteria for Assertions

#### a) Data

The sources of the data used are well documented and the data used in the report is clearly identified and is the most recent available.

# b) Estimation Methods

Not applicable.

#### c) Reporting Systems

The reporting system supporting the above assertions is current, reliable, and an integral part of the agency's budget and management processes.

# Tab N

Statement of Disclosures and Assertions for FY 2019 Drug Control Obligations Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2019

In accordance with ONDCP's Circular, National Drug Control Program Agency Compliance Reviews, dated October 22, 2019, 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 2019 Drug Control Funds

#### DETAILED ACCOUNTING SUBMISSION

#### A. Table of FY 2019 Drug Control Obligations

(In Millions)	
Description	FY 2019 Actual
Description  Drug Resources by Budget Decision Unit:	Actual
Medical Care	\$799.418
Medical & Prosthetic Research	\$18.900
Total	\$818.318
Drug Resources by Drug Control Function: Treatment	\$799.418 \$18.900 \$818.318

#### 1. Drug Control Methodology

The obligation tables for the FY 2019 Drug Control Obligations (above) and the Resource Summary (page 15) 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:

Diagnosis Code	Description (DSM-5 and ICD-10-CM)
F11xx	Opioid Related Disorders
F12xx	Cannabis Related Disorders
F13xx	Sedative Hypnotic/Anxiolytic Related Disorders
F14xx	Cocaine Related Disorders
F15xx	Other Stimulant Related Disorders

F16xx	Hallucinogen Related Disorders
F19xx	Other Psychoactive Substance Related Disorders

It should be noted that Prescriptions and Lab tests do not have linkages to a specific diagnosis and are not included in the report.

The cost of VHA provided services is calculated by the Managerial Cost Accounting (MCA) System of the Department of Veterans Affairs (VA). MCA cost data is used at all levels of the VA for important functions, such as cost recovery (billing), budgeting and resource allocation. Additionally, the system contains a rich repository of clinical information, which is used to promote a more proactive approach to the care of high risk (i.e., diabetes and acute coronary patients) and high cost patients. VA MCA data is also used to calculate and measure the productivity of physicians and other care providers.

The basic unit of MCA cost is the product. For VHA a product can range from a prescription fill made through a mail-out pharmacy, to an outpatient dental exam, to a bed-day of care in an Intensive Care Unit. Every product that is delivered is fully costed. This means that all direct labor, direct supply, and associated indirect costs (to include local and national overhead costs) are applied. Once they are fully costed, products are then assigned to the applicable patient encounter.

MCA costs are the basis for the obligations displayed in the ONDCP report. The Allocation Resource Center (ARC) develops ARC cost, which is computed by taking the MCA cost and removing the non-patient specific costs, such as Operating costs for Headquarters, Veterans Integrated Service Network (VISN) Support, National Programs, and Capital and State Home costs, and adding in the community care payments.

For budget purposes, ARC costs are transformed into obligations to account for the entire VHA Budget. It is a multi-step methodology that is implemented to compute obligations.

- The ARC costs are divided into their appropriations using cost centers identified in their Monthly Program Cost Report (MPCR), which is a MCA Account Level Budget (ALB) based report that accounts for all the costs that comprise the MCA system.
- A facility specific ratio of obligations to ARC cost for non-capital costs is created and multiplied by the expenditures to create medical center specific obligations.
- Assign the medical center capital obligations to VHA services proportional to cost.
- Aggregate the national overhead obligations by cost center into their appropriations and assign them to patient services proportional to cost.
- Balance the final obligations nationally to the SF133 Report on Budget Execution total proportionately.

#### **MEDICAL CARE**

#### Year in Review

During FY 2019, 256,503 Veterans who received services within VHA were diagnosed with a drug use disorder. Of these Veterans, VA provided services by mental health clinicians in a variety of outpatient settings to roughly 85 percent (219,215) of Veterans with any diagnosis of a drug use disorder. Among Veterans receiving treatment within VA during FY 2019 approximately 17 percent used amphetamines, around 28 percent used cocaine,

nearly 28 percent used opioids, and around 52 percent used cannabis. (These categories are not mutually exclusive.)

VHA continues to improve service delivery and efficiency by integrating services for mental health disorders, including SUD, into primary care settings. Veterans from Operation Enduring Freedom/Operation Iraqi Freedom/Operation New Dawn/Operation Inherent Resolve (OEF/OIF/OND/OIR) and Veterans from other eras are served in primary care teams (Patient Aligned Care Teams: PACTs) that have co-located mental health staff to identify and address potential mental health and substance use treatment needs. Secondary prevention services include diagnosis and assessment of possible substance use disorders in patients presenting medical problems that suggest elevated risk of substance use disorders (e.g., treatment for Hepatitis C, prescribed opioid medications). Recognizing the importance of team-based care, VHA is implementing the Behavioral Health Interdisciplinary Program — Collaborative Chronic Care Model (BHIP-CCM) at every VA facility. Implementation of BHIP — CCM teams within general mental health further supports VA's commitment to providing access to chronic disease management and treatment for substance use disorders beyond specialty SUD treatment settings.

Most Veterans with substance use disorders are treated in outpatient programs. Outpatient detoxification 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 substance use disorder outpatient programs provide at least three hours of service per day and patients attend three or more days per week.

Considering the frequent co-occurrence of substance use disorders with posttraumatic stress disorder, VHA has also assigned a substance use disorder specialist to each of its hospital-level posttraumatic stress disorder services or teams. The staff person is an integral member of the posttraumatic stress disorder clinical services team and works to integrate substance use disorder care with all other aspects of posttraumatic stress disorder-related care. Among the specialists' responsibilities are identification and treatment of Veterans with co-occurring substance use disorder and posttraumatic stress disorder. Specialists also promote preventive services for Veterans with posttraumatic stress disorder who are at risk for developing a substance use disorder.

VHA provides two types of 24-hour care to patients with severe, complex, or acute substance use disorders. These include inpatient withdrawal management and stabilization in numerous medical and general mental health units and provision of care in Mental Health Residential Rehabilitation Treatment Programs (otherwise referred to as Domiciliary beds). VHA offers care in Mental Health Residential Rehabilitation Treatment Programs (MH RRTPs) to Veterans with complex, co-occurring mental health, substance use, medical, and psychosocial needs. Specialty Domiciliary SUD programs provide treatment equivalent to Level 3.7, Medically Monitored Intensive Inpatient Services as specified by the American Society of Addiction Medicine Patient Placement Criteria. At the end of FY 2019, 67 Domiciliary SUD programs were in operation with 1,845 beds focused specifically on intensive, medically monitored residential SUD treatment. In addition to those MH RRTPs formally designated as Domiciliary SUD programs, additional SUD specialized services are offered through tracks in other MH RRTPs and the majority of Veterans served by MH RRTPs are diagnosed with a substance use disorder.

Programs to end homelessness among Veterans are encouraged to have SUD specialists as a part of their multidisciplinary teams. There are SUD specialists working in the Department of Housing and Urban Development – VA Supportive Housing (HUD-VASH), Grant and Per Diem (GPD) and the Health Care for Homeless Veterans (HCHV) programs; however, the use of SUD specialists can vary locally based on site-specific needs. These specialists emphasize early identification of substance use disorders as a risk for maintaining permanent housing, promote engagement or re-engagement in SUD specialty care programs and serve as linkages between homeless and SUD programs.

#### Methamphetamine

VA recognizes the emerging threat that methamphetamine poses to our nation's Veterans. Specific data on the rates of methamphetamine use disorder are not available. However, the overall rates of amphetamine use disorder have been increasing with over 43,000 Veterans who received care in VA during FY 2019 having an amphetamine use disorder diagnosis. This reflects a 17 percent increase from FY 2018 (6,430 Veterans). 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. VA implemented CM in 2011, and through September 2019, VA has provided contingency management services to over 4,800 Veterans with over 92 percent of the greater than 63,000 urine samples testing negative for the target drug(s) (e.g. stimulants or cannabis).

#### **Opioid Use Disorder**

Slightly more than 71,000 Veterans with an opioid use disorder (OUD) diagnosis were provided treatment within VA during FY 2019. Medication for OUD (M-OUD) has historically been provided in SUD specialty-care clinics, but the majority 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. VA launched the Stepped Care for Opioid Use Disorder Train the Trainer (SCOUTT) initiative in August 2018 with the intent of supporting the expansion of M-OUD in Level 1 clinics (primary care, general mental health and pain management clinics). Pilot sites in each Veterans Integrated Service Network (VISN) implemented this expansion during FY 2019. From August 2018 through October 2019 there has been a 141 percent increase in the number of patients receiving buprenorphine in the initial pilot Level One clinics and 130 percent increase in the number of providers prescribing buprenorphine in these clinics. Further, Veterans are being retained in care with 69 percent of Veterans retained on buprenorphine for more than 90 days. Efforts to support further dissemination are underway with three regional conferences planned for FY 2020 targeting general mental health, primary care, and pain clinics.

VHA continues to expand the availability of M-OUD for Veterans. VA monitors the percent of patients with OUD who receive M-OUD (40.4 percent during the 4th quarter of FY 2019) 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. Compared to FY 2018, during FY 2019, VA evidenced an almost 6 percent increase in the number of Veterans that received M-OUD (total of 26,415). From FY 2018 to FY 2019 VA saw a 36 percent increase

in the number of providers with a DEA X-waiver with the numbers continuing to increase in the two months since the end of the fiscal year. In FY 2019, evidence-based M-OUD, including office-based treatment with buprenorphine and extended-release injectable naltrexone, was accessible to patients seen at 100 percent of VA Medical Centers. Including VA Medical Centers, Community-Based Outpatient Clinics, and other sites of care separate from the medical centers, over 680 total sites of service provided at least some M-OUD an increase of approximately 50 sites from FY 2018. VA operates federally-regulated opioid treatment programs that can provide methadone maintenance on-site at 32 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.

VA has realized that it will be critical to go beyond providers obtaining a waiver that allows them to prescribe buprenorphine. The number of providers with a DEA X-waiver that prescribed buprenorphine during FY 2019 was significantly lower than the number of providers with an X-waiver. While this number 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 with the intent of clarifying national policy and tasking facilities to remove potential barriers to prescribing if present.

#### **Opioid Safety Initiative**

VA continues to pursue a comprehensive strategy to promote safe prescribing of opioids when indicated for effective pain management. The purpose of the Opioid Safety Initiative (OSI) is to ensure pain management is addressed thoughtfully, compassionately, and safely to make the totality of opioid use visible at all levels in the organization. Based on comparisons of national data between the quarter beginning in Quarter 4, FY 2012 (beginning in July 2012) to Quarter 4, FY 2019 (ending in September 2019), many aspects of the OSI continue to show positive results. Despite an increase of 284,974 Veterans who were dispensed any medication from a VA pharmacy, 264,636 fewer Veterans were on long-term opioids. The average dose of selected opioids has continued to decline as 45,060 fewer patients were receiving morphine equivalent daily doses greater than or equal to 100 milligrams, demonstrating that prescribing and consumption behaviors are changing. The desired results of the Opioid Safety Initiative have been achieved during a time that VA has seen a 7.2 percent increase in Veterans that have utilized VA outpatient pharmacy services.

Chronic pain is a national public health problem as outlined in the 2011 study by the Institute of Medicine (IOM). At least 100 million Americans suffer from some form of chronic pain. The IOM study describes in detail many concerns of pain management, including system-wide deficits in the training of our Nation's health care professionals in pain management and substance use disorders prevention and management, and the problems caused by a fragmented health care system. The over-use and misuse of opioids for pain management in the United States is a consequence of a health care system that until recently was less than fully prepared to respond to these challenges.

VHA has identified and broadly responded to the many challenges of pain management through policies supporting clinical monitoring, education and training of health professionals and teams, and expansion of clinical resources and programs. VA'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 Department of Defense (DoD) as well. Our approach to managing opioid over-use fits into this plan, and the VA has employed broad strategies to address the opioid epidemic: education, pain management, risk mitigation, and addiction treatment. First, the VA addressed the problem of clinically inappropriate high-dose prescribing of opioids through the VA's national program, the Opioid Safety Initiative (OSI). Second, VA 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.

VA has reduced the reliance on opioid medication for pain management by more than 55 percent since 2012, largely by starting fewer patients newly on long-term opioid therapy and by offering pain care options that are safer and more effective in the long run. The majority of the decline in VA 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. VA has been recognized by many as a leader in the pain management field for the responsible use of opioids. Notably, VA 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 VA continues its efforts to address opioid over-use, non-opioid treatments and complementary and integrative medicine treatments (such as massage therapy, yoga, meditation, occupational therapy, physical therapy, recreational therapy, acupuncture, tai chi, etc.) are an important component to VA's Pain Management Strategy.

To further strengthen OSI and keep this trend moving in the right direction, VA has deployed state-of-the-art tools to help protect Veteran patients using high doses of opioids or with medical risk factors that put them at an increased risk of complications from opioid medications including overdose. These tools, referred to as the Opioid Therapy Risk Report (OTRR) and the Stratification Tool for Opioid Risk Mitigation (STORM), are available to all clinical staff in the VHA. These tools include information about the dosages of narcotics and other sedative medications, significant medical problems that could contribute to an adverse reaction and monitoring data to aid in the review and management of complex patients. The OTRR allows VA providers to review all pertinent clinical data related to pain treatment in one place, providing a comprehensive Veteran-centered and more efficient level of management not previously available to primary care providers. The STORM allows VA providers to view information about risk factors for opioid overdose, suicide-related events and other harms and recommends patient-specific risk mitigation strategies. Both tools are part of VA's broader efforts to prevent opioid overdose deaths.

Additionally, VHA has formalized a system-wide Academic Detailing program that is in process of being implemented throughout the organization. Academic Detailing provides specialty teams to visit facilities and provide on-site support and education to providers to further enhance pain management efforts. The Academic Detailing program is another important step to improve mental health, substance use disorder, and pain management medication therapy across all VAMCs. As of September 30, 2019, specially trained VA pharmacists had over 48,000 outreach visits with VA staff about opioid safety, opioid overdose and naloxone distribution, suicide prevention, and opioid use disorder.

As VA continues its efforts to address opioid over-use, complementary and integrative medicine treatments are an important component to VA's Pain Management Strategy. VA 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.

VA has several other programs that are complementary to the Opioid Safety Initiative and include:

- State Prescription Drug Monitoring Programs (PDMP): 49 States, the District of Columbia, and Puerto Rico are activated for VA data transmission. From Quarter 3, Fiscal Year 2013 (ending in June 2013) to Quarter 4, Fiscal Year 2019 (ending September 2019), VA providers have documented over 5.8 million queries to State Prescription Drug Monitoring Programs to help guide treatment decisions.
- Medication Take-Back Program: VA offers free medication take back services to Veterans through mail-back envelopes and on-site receptacles compliant with Drug Enforcement Administration (DEA) regulations. As of September 30, 2019, Veterans have returned over 154 tons (the equivalent of 47 elephants) of unwanted or unneeded medication using these services.

### **Expand Access to Addiction Treatment in Every State**

VA Clinical Pharmacy Specialist (CPS) providers offer comprehensive medication management services and are effectively leveraged as an additional team member to improve Veteran access to pain management and opioid risk mitigation. In partnership with the VA Office of Rural Health, the VA Pharmacy Benefits Management (PBM) Clinical Pharmacy Practice Office launched a VA-wide initiative in FY 2017 to expand the CPS workforce and further improve access to care specifically for rural Veterans with the majority of this care delivered virtually. Since then, approximately 30 Pain CPS providers have delivered pain management care and opioid risk mitigation services for over 30,000 Veterans with 70 percent of this care delivered using virtual modalities. This initiative expands in FY 2020 to include CPS care delivery for Substance Use Disorders and continued opioid risk mitigation.

#### **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. Food and Drug Administration-approved layperson naloxone formulations (nasal spray and auto-injector) are on the VA National Formulary and are currently available through every VHA facility. VHA recommends offering OEND to Veterans prescribed or using opioids who are at increased risk for opioid overdose or whose provider deems it clinically indicated. Academic Detailing has promoted OEND through individualized, evidence-based educational outreach visits and consultation for clinicians by clinicians. In July 2016, Congress took the important step of eliminating copayment requirements for opioid antagonists (e.g., naloxone) furnished to Veterans at high risk for overdose and for education on their use (per CARA). This change has been implemented throughout VHA. Since implementation of the OEND program in 2014, over 22,800 VHA prescribers, representing all VHA facilities, have prescribed naloxone, and

more than 338,300 naloxone prescriptions have been dispensed to over 212,200 Veterans (as of November 2019).

In an effort to ensure timely access to naloxone for emergency responding, VHA launched the Rapid Naloxone Initiative in September 2018 consisting of three elements: (1) OEND to VA patients at-risk for opioid overdose, (2) VA Police Naloxone, and (3) Automated External Defibrillator (AED) Cabinet Naloxone. As of April 2019, 116 facilities have equipped their Police with naloxone and 56 facilities have deployed naloxone in AED Cabinets. Across VA this has accounted for at least 693 AED Cabinets and 2,785 VA Police Officers equipped with naloxone. The impact of these efforts is apparent across VHA. As documented through spontaneous reporting of overdose reversal events as well as through a national medical record note, at least 911 lives have potentially been saved, with an additional 126 reversals reported from AED Cabinet and VA Police naloxone (6 and 120 reversals, respectively). VA has dispensed a naloxone kit for 1 in 5 patients on high dose opioids, this compares 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. During FY 2019, VHA implemented a process for documenting accidental and severe adverse effect overdoses as a component of suicide prevention efforts. Implementation of the Suicidal Behavior and Overdose Report (SBOR) note template provides a foundation for VHA to implement strategies designed specifically to engage Veterans in timely treatment following a non-fatal overdose (opioid and non-opioid related).

#### **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 (VAMC) 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 VAMCs, 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 VAMC work with Veterans in the local criminal courts (including but not limited to the Veterans Treatment Courts, or VTCs), conduct outreach in local jails, and engage with local

law enforcement by delivering VA-focused training sessions and other informational presentations. Each VA medical center has at least one VJO Specialist, who serves as a liaison between VA and the local criminal justice system.

Public Law 115-240, The Veterans Treatment Court Improvement Act of 2018, signed September 17, 2018, required VA to hire 50 new Veterans Justice Outreach Specialists to serve in VTCs, in addition to their other outreach duties. Following an announcement of new position awards on December 26, 2018, VA medical centers are actively recruiting and hiring additional VJO Specialists in response to this legislation. As of November 2019, 48 new VJO positions have been filled.

Veterans who are seen by HCRV and VJO Specialists access VA mental health and substance use treatment at high rates. Most Veterans seen in the VJO program have a mental health (77 percent) or substance use disorder (71 percent) diagnosis, or both (58 percent). Within one year of their VJO outreach visit, 97 percent of Veterans with mental health diagnoses had had at least one VHA mental health visit, and 78 percent had at least six visits. Within the same timeframe, 72 percent of Veterans with substance use disorder diagnoses had had at least one VHA substance use disorder visit, and 54 percent had had at least six. Veterans seen by HCRV Specialists have a similar profile, with 56 percent with a mental health diagnosis, 55 percent with a substance use disorder diagnosis and 39 percent with both. Veterans in HCRV access VA care at high rates, but slightly lower than those in VJO with 93 percent of those with a mental health diagnosis having at least one visit, and 64 percent having at least six visits. For those with a substance use disorder, 57 percent had at least one visit, and 37 percent had at least six. Improving access to treatment and care for this segment of the Veteran population is in direct alignment with the identified agency goals.

In communities where justice programs relevant to Veterans exist (Veterans courts, drug courts, mental health courts, and police crisis intervention teams), VA has taken the initiative in building working relationships to ensure that eligible justice-involved Veterans get needed care. In communities where no such programs exist, VA has reached out to potential justice system partners (judges, prosecutors, police, and jail administrators) to connect eligible justice-involved Veterans with needed VA services including addiction treatment. VJO specialists currently serve Veterans in 551 Veterans Treatment Courts and other Veteran-focused courts, with more planned. Their duties in a Veterans Treatment Court include linkage to VHA treatment services. In communities without Veterans Treatment Courts, VA medical centers have established relationships with a range of justice system and community partners, including police and sheriffs' departments, local jail administrators, judges, prosecutors, public defenders, probation officers, and community mental health providers.

#### Performance

During FY 2019, VHA continued implementation of clinical symptom monitoring using the Brief Addiction Monitor that transmits responses to the national database. The Brief Addiction Monitor assists substance use disorder specialty care clinicians in initial treatment planning and monitoring the progress of patients while they are receiving care for a substance use disorder. This also serves as a basis for giving feedback to enhance each patient's motivation for change and informing clinical decisions, such as the intensity of care required for the patient. In addition to items addressing risk and protective factors for recovery, the Brief Addiction Monitor assesses self-reported substance use in the prior 30

days, which includes the use of any illicit and non-prescribed drugs, as well as specific substances.

VHA has supplemented its current suite of internal indicators of substance use disorder care processes using administrative data related to a patient reported outcome measure derived from the Brief Addiction Monitor: abstinence from drug use at follow-up in a substance use disorder specialty treatment population. During the first three guarters of FY 2019 (allowing time for follow-up assessment during Quarter 4), VHA substance use disorder specialty outpatient programs assessed self-reported abstinence among 3,500 Veterans with drug use disorder diagnoses documented at admission. Among the Veterans who remained engaged in care and were reassessed 30-90 days after admission, 76.9 percent reported abstinence from drugs during the previous 30 days, a level of performance that is largely unchanged from the prior year. Despite not reaching our stretch goal of 88 percent, current performance represents a high level of performance success in light of the chronic nature of substance use disorders and the challenges associated with use of abstinence as the primary indicator of success. As VHA has focused on removal of access barriers this has included an emphasis on sustained engagement in treatment. It is important to note that the percent of Veterans for whom performance data are available continues to increase. reflecting VHA's commitment to provision of evidence-based, outcome-informed quality care. Over 9,750 veterans were assessed at the beginning of substance use disorder specialty care during the 4th quarter of FY 2019.

The accompanying Department of Veterans Affairs Resource Summary (page 15) was prepared in accordance with the following Office of National Drug Control Policy (ONDCP) circulars (a) National Drug Control Program Agency Compliance Reviews dated October 22, 2019, (b) Budget Formulation, dated October 22, 2019, and (c) Budget Execution, dated October 22, 2019. In accordance with the guidance provided in the Office of National Drug Control Policy's letter of September 7, 2004, VA's methodology only incorporates Specialized Treatment costs.

#### Specialized Treatment Costs (Dollars in Millions)

Specialized Treatment	VHA Obligations	Care in the Community Obligations	Total Obligations	FTE
Inpatient	\$192.179	\$36.125	\$228.304	877
Outpatient	\$312.689	\$25.845	\$338.533	1,319
Residential Rehabilitation & Treatment	\$232.580	\$0.000	\$232.580	1,250
Total	\$737.449	\$61.969	\$799.418	3,446

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

The resources VHA invests in research helps aid efforts to improve substance use disorder prevention, diagnosis, and treatment while improving the effectiveness, efficiency, accessibility, and quality of Veterans' health care.

In FY 2019, VHA exceeded targets for the numbers of studies relevant to substance use (28) or alcohol use (49) disorders and increased opioid use disorder research from 12 studies to 24 studies in progress. This distinction of a new category for opioid research aligns with heightened focus activity on management of opioid use and abuse. Two areas of specific focus are prevention and treatment.

- Prevention. Research on prevention include prescription drug monitoring programs (prescribing within and outside of the VA), safe opioid tapering, identifying those at risk for adverse effects of opioids, changes in prescribing practice, and its effect on patients. There are 7 projects in the realm of prevention of adverse events associated with opioid therapy. In addition, ORD has funded several projects examining genetic vulnerability to substance abuse, response to opiate agonists (Medication Assisted Treatment; MAT), and pain resilience to determine why some individuals are more susceptible to opioid addiction, response to treatment, and why some individuals can live with higher levels of pain while others cannot. Genetic approaches take advantage of VA's Million Veteran Program genomic data that is providing VA with a wealth of information on addictive risk and behaviors.
- Treatment. Studies on treatment focus on the efficacy of care delivery (Stepped Care for OUD) and implementation of evidence-based treatment programs (Stepped Care for OUD Train the Trainer, MAT delivery, and non-pharmacological approaches to treat pain in patients with OUD) within the VA Health Care System. Many of the projects address access to care, including the use and expansion of telehealth to provide treatment alternatives to patients with OUD living in rural areas. This includes making MAT available at Community-Based Outpatient Clinics and determining where telehealth should be prioritized. Other areas of research include co-existing conditions such as mental health (PTSD) and/or SUD, with OUD. In all, there are 13 projects on treatment approaches.

	Obligations	Drug Control	
Specialized Function	(Millions)	Related Percent	FTE
Research & Development	\$18.900	N/A	N/A

- 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 only incorporates Specialized Treatment costs and no longer takes into consideration Other Related Treatment costs. Drug control methodology detailed in A.1 was the actual methodology used to generate the Resource Summary.
- 3. <u>Material Weaknesses or Other Findings</u> CliftonLarsonAllen LLP provided an unmodified opinion on VA's FY 2019 consolidated financial statements. They identified five material weaknesses as well as certain conditions regarding noncompliance with laws and regulations. The material weaknesses relate to: a) Controls over significant accounting estimates and transactions (repeat); b) Accrued liabilities, undelivered orders, and reconciliations, (repeat); c) Financial systems and reporting (repeat); d) Information

technology security controls (repeat); e) Entity level controls including chief financial officer organizational structure (repeat).

The conditions regarding noncompliance with laws and regulations included: a) Substantial noncompliance with federal financial management systems requirements and the United States Standard General Ledger at the transaction level under the Federal Financial Management Improvement Act (FFMIA) of 1996 (repeat); b) Improvements needed in order to fully comply with the intent of the Federal Managers' Financial Integrity Act (repeat); c) Instances of noncompliance with Title 38 United States Code § 5315 pertaining to the charging of interest and administrative costs (repeat); d) One violation of the Ant deficiency Act, Title 31 United States Code § 1341 and one potential violation reported in 2019, and five other violations, which are carried forward from prior years and are under further discussion with the Office of Management and Budget (repeat); e) Noncompliance with the Improper Payments Elimination and Recovery Act for FY 2018, as reported by the Office of Inspector General (repeat).

- 4. 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.
- 5. 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. <u>Drug Methodology</u> VA asserts that the methodology used to estimate FY 2019 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 October 22, 2019.
- 2. <u>Application of Methodology</u> The methodology described in Section A.1 above was used to prepare the estimates contained in this report.
- 3. <u>Reprogrammings or Transfers</u> No changes were made to VA's Financial Plan that required ONDCP approval per the ONDCP Circular, Budget Execution, dated October 22, 2019.
- 4. <u>Fund Control Notices</u> 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 October 22, 2019.

Subj: Statement of Disclosures and Assertions for FY 2019 Drug Control Obligations Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2019

Rachel A. Mitchell 108991 Digitally signed by Rachel A. Mitchell 108991 Date: 2020.03.10 18:17:34 -04'00'				
Laura Duke Chief Financial Officer VHA Office of Finance (10A3)	Date			
JEFF A. NECHANICKY Digitally signed by JEFF A. NECHANICKY 985830 Date: 2020.03.10 16:54:35 -04'00'				
Jeff Nechanicky Associate Chief Financial Officer Resource Management (10A3B)	Date			
Charles J. Stepanek 105156  Digitally signed by Charles J. Stepanek 105156  Date: 2020.03.10 10:23:25 -04'00'				
Charles Stepanek Director of Budget Services Resource Management (10A3B)	Date			

# Department of Veterans Affairs Resource Summary Obligations (In Millions)

2019
Actual
\$228.304
\$338.533
\$232.580
\$799,418
\$18.900
\$818.318
Ψοισίοιο
2.446
3,446
<b>#</b>
\$220,448.000
0.41%
Φ70.000
\$78.823
1.00%

<sup>\*</sup>Numbers may not add due to rounding

# Statement of Disclosures and Assertions for FY 2021 Budget Formulation Compliance Report Submitted to Office of National Drug Control Policy (ONDCP) for Fiscal Year Ending September 30, 2019

In accordance with ONDCP's Circular, National Drug Control Program Agency Compliance Reviews, dated October 22, 2019, 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.

#### **PERFORMANCE**

Information regarding the performance of the drug control efforts of VHA is based on Agency Government Performance and Results Act (GPRMA) documents and other information that measures the Agency's contribution to the Strategy, and is maintained by the VHA Office of Reporting, Analytics, Performance, Improvement and Deployment. VHA reports performance for two separate drug-related initiatives: treatment and research and development. The table and accompanying text represent VHA's drug-related achievements during FY 2018.

Veterans Health Administration Selected Measures of Performance	FY 2018 Target	FY 2018 Achieved
Гreatment		
» Abstinence from drug use at follow-up in a substance use disorder specialty treatment population	88%	80%
Research and Development		
» Number of research studies related to substance use disorders	5	28
Number of research studies specifically related to opioid use disorders*	NA	12
» Number of research studies related to alcohol use disorders	5	51

<sup>\*</sup>New category for FY18; Measures will be updated for Fall ONDCP Submission.

#### **Treatment**

During FY 2018, VHA continued implementation of clinical symptom monitoring using the Brief Addiction Monitor that transmits responses to the national database. The Brief Addiction Monitor assists substance use disorder specialty care clinicians in initial treatment planning and monitoring the progress of patients while they are receiving care for a substance use disorder. This also serves as a basis for giving feedback to enhance each patient's motivation for change and informing clinical decisions, such as the intensity of care required for the patient. In addition to items addressing risk and protective factors for recovery, the Brief Addiction Monitor assesses self-reported substance use in the prior 30 days, which includes the use of any illicit and non-prescribed drugs, as well as specific substances.

VHA has supplemented its current suite of internal indicators of substance use disorder care processes using administrative data related to a patient reported outcome measure derived from the Brief Addiction Monitor: abstinence from drug use at follow-up in a substance use disorder specialty treatment population. During the first three quarters of FY 2018 (allowing time for follow-

up assessment during Quarter 4), VHA substance use disorder specialty outpatient programs assessed self-reported abstinence among 3,337 Veterans with drug use disorder diagnoses documented at admission. Among the Veterans who remained engaged in care and were reassessed 30-90 days after admission, 79.3 percent reported abstinence from drugs during the previous 30 days, a level of performance that is unchanged from the prior year and, despite not reaching our stretch goal of 88%, nonetheless represents a high level of performance success. Over 9,860 veterans were assessed at the beginning of substance use disorder specialty care during the 4th quarter of FY 2018.

#### Research and Development

The dollars VHA invests in research helps aid efforts to improve substance use disorder prevention, diagnosis, and treatment while improving the effectiveness, efficiency, accessibility, and quality of Veterans' health care.

In FY 2018, VHA exceeded targets for the numbers of studies relevant to substance use (28) or alcohol use (51) disorders and VA separately now reports opioid use disorder research with an FY 2018 baseline of 12 studies in progress. This distinction of a new category for opioid research aligns with heightened focus activity on management of opioid use and abuse. Multiple publications were released by VHA-funded researchers on these specific topic areas.

#### **B.** Assertions

- 1. Timeliness of Summer Budget Submission VA asserts that the FY 2021 summer drug budget submitted to ONDCP provided based on the criteria set forth in the ONDCP Circular, Budget Formulation, dated October 22, 2019, was provided to ONDCP at the same time as the budget request was submitted to superiors in accordance with 21 U.S.C. § 1703(c)(1)(A)
- 2. <u>Funding Levels VA asserts the estimated obligations by Budget Decision Unit represent the funding levels in the budget submission made to the Department without alteration or adjustment by any official at the Department.</u>

# Rachel A. Mitchell 108991

Digitally signed by Rachel A. Mitchell 108991

Date: 2020.03.10 18:16:31 -04'00'

Date.	2020.03.10 10.10.31 0+00
Laura Duke Chief Financial Officer VHA Office of Finance (10A3)	Date
JEFF A. NECHANICKY Digitally signed by JEFF A. NECHANICKY 985830  Date: 2020.03.10 16:56:34 -04'00'	
Jeff Nechanicky Associate Chief Financial Officer Resource Management (10A3B)	Date
Charles J. Stepanek Digitally signed by Charles J. Stepanek 105156  Date: 2020.03.10 09:58:39 -04'00'	
Charles Stepanek Director of Budget Services Resource Management (10A3B)	Date