

FY 2014 Performance Summary Report

Office of National Drug Control Policy

FY 2014 Performance Summary Report

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Executive Summary

Background

This document presents the FY 2014 Performance Summary Report (PSR) for each National Drug Control Program agency. The Office of National Drug Control Policy's (ONDCP) Reauthorization Act of 2006 (Public Law 109-469) included a provision (21 U.S.C. § 1703(d)(7)) authorizing the Director of National Drug Control Policy to "... monitor implementation of the National Drug Control Program, including – (A) conducting program and performance audits and evaluations; and (B) requesting assistance of the Inspector General of the relevant agency in such audits and evaluations ..."

The ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary* (dated January 18, 2013), includes a section requiring all drug control agencies to submit annual Performance Summary Reports. Each report is to include performance-related information for National Drug Control Program activities – specifically regarding performance measures, prior year performance targets and results, current year targets, and the quality of performance data.

The Chief Financial Officer or other accountable senior executive of each agency is required to assert that (a) the performance reporting system is appropriate and applied; (b) explanations for not meeting performance targets are reasonable; (c) the methodology to establish performance targets is reasonable and applied; and (d) adequate performance measures exist for all significant drug control activity decision units. The decision unit is defined in the ONDCP Circular as activities for which a significant amount of obligations (\$1,000,000 or 50 percent of the agency drug budget) were incurred in FY 2014. These management assertions are to be based on data (citing sources); other estimation methods such as professional judgment (documenting the objectivity and strength of these methods); and the accuracy and reliability of the reporting systems and the extent to which they are an integral part of agency budget and management processes.

The ONDCP Circular mandates that "Each report...shall be provided to the agency's Inspector General for the purpose of expressing a conclusion about the reliability of each assertion made in the report." Each agency's Office of Inspector General (OIG) is required to conduct an attestation review of its FY 2014 Performance Summary Report, consistent with the *Statements for Standards of Attestation Engagements* promulgated by the American Institute of Certified Public Accountants. An attestation review is more limited in scope than a standard 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 performance reporting and to provide negative assurance. Negative assurance, based on the criteria established by the ONDCP Circular, 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. This process ensures conformity with the requirements of the ONDCP Circular while addressing the disparate performance issues facing drug control agencies.

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Assessing Performance

Performance monitoring is a key tool for ONDCP in its oversight of National Drug Control Program agencies – it enables ONDCP to assess the extent to which the *Strategy* achieves its goals and accounts for the contributions of individual drug control agencies. Two laws, the Office of National Drug Control Policy Reauthorization Act of 2006 (P.L. 109-469) and the Government Performance and Results Act Modernization Act of 2010 (GPRMA), set the framework for a range of performance requirements to improve performance through measurement analysis and regular assessment of programs.

Agency Performance Summary Reports for the purposes of this report are a component of ONDCP's assessment of agency performance; they provide independent assessments of agency accountability systems for both the Administration and Congress. The key function of these reports is to assess agency performance systems – the measures, the process of developing targets, the quality of data systems, and the use of performance information.

Through the annual budget certification process ONDCP also assesses agency performance through internal program evaluations and reviews. ONDCP's review of agencies' summer and fall Performance Budgets are preceded by funding guidance on improving their performance and refining their accountability systems. Within the Budget and Performance Summary report published each year, ONDCP gives an account on agencies key drug related measures for the last year available and documents the performance targets and actual achievements of each program along with a qualitative description of past-year accomplishments. The Budget and Performance Summary report is released each year with the annual *Strategy*. ONDCP also works year round with agencies to improve their performance systems.

Department Compliance and Attestation Reviews

Most National Drug Control Program agencies submitted a Performance Summary Report for FY 2014. However, a few agencies did not submit a report or were not in compliance with the ONDCP Circular. The Department of Defense's (DoD) Deputy Assistant Secretary for Counternarcotics and Global Threat (CN & GT) submitted a report that the DoD's Office of Inspector General (OIG) found did not conform in all material respects to the ONDCP Circular. ONDCP notes DoD's progress in having the IG attest to its report for the second year based on past ONDCP guidance and GAO recommendations, and looks forward to working with DoD to be in full compliance with the ONDCP Circular for its 2015 report. In addition, the Department of Interior's National Park Service (NPS), and the Department of Housing and Urban Development's (HUD's) Office of Community Planning and Development did not submit performance summary reports to comply with the ONDCP Circular. While NPS submitted a report in past years they did not submit a report for FY 2014. HUD's Office of Community Planning and Development has not submitted a report since it was added to the National Drug Control Budget in FY 2012. Efforts to obtain the report, management assertion and IG attestation from HUD have not been successful. ONDCP will note in its FY 2017 funding guidance that the Department of Interior's National Park Service and the Department of Housing and Urban Development's Office of Community Planning and Development were not in

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compliance with the ONDCP Circular and request that they work with ONDCP to prepare their submission for FY 2015. Finally, the Department of Health and Human Services' Centers for Medicare & Medicaid Services (CMS) and DoD Health Affairs (HA) have responded that they are working on developing performance measures, and thus were not required to submit reports this year. ONDCP will continue to work with CMS and DoD (HA) in developing appropriate measures. Table 1 summarizes the status of each Department and Independent Agency's Performance Summary Report submissions.

FY 2014 Performance Summary Report

Table 1: Summary of Performance Summary Report Compliance and Attestation Reviews

Department/Bureau	Provided Signed Management Assertions (Yes/No)	OIG/Indep. Auditor Attestation Review	Compliance with ONDCP Circular (Yes/No)
Agriculture			
United States Forest Service	Yes	Not Required*	Yes
Court Services and Offender Supervision Agency			
	Yes	Not Required*	Yes
Defense			
Drug Interdiction and Counterdrug Activities	Yes	Failed	No
Health Affairs	Not required this year	Not required this year	Not required this year
Education			
Office of Safe and Healthy Students	Yes	Pass	Yes
Health and Human Services			
Administration for Children and Families	Yes	Not Required*	Yes
Centers for Medicare & Medicaid Services	Not required this year	Not required this year	Not required this year
Health Resources and Services Administration	Yes	Not Required*	Yes
Indian Health Service	Yes	Pass	Yes
National Institutes of Health	Yes	Pass	Yes
Substance Abuse and Mental Health Services Administration	Yes	Pass	Yes
Homeland Security			
Customs and Border Protection	Yes	Pass	Yes
Federal Law Enforcement Training Center	Yes	Not Required*	Yes
Immigration and Customs Enforcement	Yes	Pass	Yes
United States Coast Guard	Yes	Pass	Yes
Department of Housing & Urban Development			
Office of Community Planning and Development	No	Not Submitted	No
Department of Interior			
Bureau of Indian Affairs	Yes	Not Required*	Yes
Bureau of Land Management	Yes	Not Required*	Yes
National Park Service	No	Not Submitted	No
Justice			
Assets Forfeiture Fund	Yes	Pass	Yes
Criminal Division	Yes	Pass	Yes
Drug Enforcement Administration	Yes	Pass	Yes

FY 2014 Performance Summary Report

Department/Bureau	Provided Signed Management Assertions (Yes/No)	OIG/Indep. Auditor Attestation Review	Compliance with ONDCP Circular (Yes/No)
Federal Bureau of Prisons	Yes	Pass	Yes
Office of Justice Programs	Yes	Pass	Yes
Offices of the United States Attorneys	Yes	Pass	Yes
Organized Crime Drug Enforcement Task Forces Program	Yes	Pass	Yes
United States Marshals Service	Yes	Pass	Yes
Department of Labor			
Employment and Training Administration	Yes	Not Required*	Yes
State			
Bureau of International Narcotics and Law Enforcement Affairs	Yes	Pass	Yes
United States Agency for International Development	Yes	Pass	Yes
Transportation			
Federal Aviation Administration	Yes	Not Required*	Yes
National Highway Traffic Safety Administration	Yes	Pass	Yes
Treasury			
Internal Revenue Service	Yes	Pass	Yes
Veterans Affairs			
Veterans Health Administration	Yes	Pass	Yes

*Under the updated ONDCP Circular: Accounting of Drug Control Funding and Performance Summary (dated January 18, 2013), Section 9, entitled “Unreasonable Burden Exception,” an agency or bureau included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may submit an alternative report that includes the report and assertions and accompanied by statements from an accountable senior executive, attesting that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden.

Summary of Agency Reports

Department of Agriculture

The United States Forest Service (USFS) fully complied with the requirements of the ONDCP Circular. USFS submitted an alternative report (Tab A) since its prior year obligations for drug control activities fall below the ONDCP Circular’s threshold of \$50 million. The USFS provided an adequate explanation of its performance measure, baseline performance targets, and data. An OIG authentication was not required.

Court Services and Offender Supervision Agency (CSOSA)

CSOSA fully complied with the requirements of the ONDCP Circular. CSOSA submitted an alternative report (Tab B) since its prior year obligations for drug control activities fall below the ONDCP Circular’s threshold of \$50 million. An OIG authentication was not required.

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Department of Defense

The Department of Defense, for this reporting period, only submitted a report (Tab C) for the Drug Interdiction and Counterdrug Activities program. DoD's Health Affairs office did not submit a report.

Drug Interdiction and Counterdrug Activities: DoD submitted a Performance Summary Report (Tab C), but the DoD Office of Inspector General (OIG) noted that the report did not conform in all material respects to the ONDCP Circular. The OIG noted that the report materially deviated from the requirements of the ONDCP Circular because DASD (CN & GT) did not provide sufficient support for the data presented in Strategic Goal 1. While DoD's report did not conform in all aspects with the ONDCP Circular, it should be noted that DoD has made progress for the second year in having the IG attest to its report based on ONDCP guidance and GAO recommendations.

DoD Health Affairs: DoD Health Affairs did not submit a report to meet the requirements of the ONDCP Circular, but is working to develop appropriate performance measures.

Department of Education

The Department of Education fully complied with the requirements of the ONDCP Circular. Performance information is provided for two drug control grant programs (Tab D): Safe and Supportive Schools and School Climate Transformation. The Department detailed the development and ongoing implementation of two performance measures for the new School Climate Transformation grant program. Upon review, nothing came to the attention of the OIG that caused them to believe that management's assertions were not fairly stated in all material respects, based upon the ONDCP Circular.

Department of Health and Human Services

The Department of Health and Human Services submitted separate reports (Tab E) for the Administration for Children & Families (ACF), Health Resources and Services Administration (HRSA), the Indian Health Service (IHS), the National Institutes of Health (NIH), and the Substance Abuse and Mental Health Services Administration (SAMHSA).

ACF: ACF complied with the requirements of the ONDCP Circular. ACF submitted an alternative report since its prior year obligations for drug control activities fall below the ONDCP Circular's threshold of \$50 million. An OIG authentication was not required.

CMS: CMS is working on developing performance measures and the agency was not required to submit a report this year. ONDCP will work with CMS in developing appropriate measures.

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HRSA: HRSA fully complied with the requirements of the ONDCP Circular. The HRSA report included the required performance measures, targets, results, and management attestations. HRSA submitted an alternative report since its prior year obligations for drug control activities fall below the ONDCP Circular's threshold of \$50 million. An OIG authentication was not required.

IHS: IHS fully complied with the requirements of the ONDCP Circular. The IHS report included the required performance measures, targets, results, and management attestations. The OIG review authenticated the IHS Performance Summary Report for drug control activities and the accompanying management assertions. Based on their review, nothing came to the attention of the OIG that caused them to believe that management's assertions, contained in the Performance Summary Report, were not fairly stated in all material respects, based upon the ONDCP Circular.

NIH: The National Institutes of Health (NIH) complied with the requirements of the ONDCP Circular. The NIH Performance Summary Report included performance measures, targets, results, and management attestations for the National Institute on Drug Abuse (NIDA) and the National Institute on Alcohol Abuse and Alcoholism (NIAAA). The OIG authenticated the report, affirming that nothing came to their attention that caused them to believe that NIH's performance summary report and management's assertions were not fairly stated, in all material respects, based on the ONDCP Circular.

SAMHSA: SAMHSA fully complied with the requirements of the ONDCP Circular. The SAMHSA report included the required performance measures, targets, results, and management attestations. The OIG review authenticated the SAMHSA Performance Summary Report for drug control activities and the accompanying management assertions. Based on their review, nothing came to the attention of the OIG that caused them to believe that management's assertions, contained in the Performance Summary Report, were not fairly stated in all material respects, based upon the ONDCP Circular.

Department of Homeland Security

The Department of Homeland Security submitted separate reports (Tab F) for Customs and Border Protection (CBP), Federal Law Enforcement Training Center (FLETC), Immigration and Customs Enforcement (ICE) and for the United States Coast Guard (USCG).

CBP: Based on the OIG's review, nothing came to their attention that caused them to believe that the Performance Summary Report for the year ended September 30, 2014, is not presented, in all material respects, in conformity with the criteria set forth in the ONDCP Circular. The IG did not make any recommendations as a result of its review. ONDCP notes CBP's addition of a performance measure for its Automation Modernization decision unit to measure the percentage of time that their Treasury Enforcement Communications System (TECS) is available to end users. TECS identifies individuals and businesses suspected of or involved in violations of federal laws.

FY 2014 Performance Summary Report

FLETC: FLETC submitted a Performance Summary Report for the year ended September 30, 2014. Since FLETC's obligations in FY 2014 were less than the threshold of \$50 million, they submitted an alternative report with a statement from an accountable senior executive, attesting that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden. ONDCP is showing them in compliance with the ONDCP Circular.

ICE: Based on the OIG's review, nothing came to their attention that caused them to believe that the Performance Summary Report for the year ended September 30, 2014, was not presented, in all material respects, in conformity with the criteria set forth in the ONDCP Circular.

USCG: Nothing came to the OIG's attention that caused them to believe that the Performance Summary Report for the year ended September 30, 2014, was not presented, in all material respects, in conformity with the criteria in the ONDCP Circular.

Department of the Interior

The Department of the Interior, for this reporting period, only submitted reports (Tab G) for the Bureau of Indian Affairs (BIA) and the Bureau of Land Management (BLM). The National Park Service did not comply with the ONDCP Circular.

BIA: BIA fully complied with the requirements of the ONDCP Circular. BIA submitted an alternative report since its prior year obligations for drug control activities fall below the ONDCP Circular's threshold of \$50 million. An OIG authentication was not required.

BLM: BLM fully complied with the requirements of the ONDCP Circular. BLM submitted an alternative report since its prior year obligations for drug control activities fall below the ONDCP Circular's threshold of \$50 million. An OIG authentication was not required.

Department of Justice

The Department of Justice submitted separate reports (Tab H) for the Assets Forfeiture Fund (AFF), Criminal Division (CRM), Drug Enforcement Administration (DEA), the Federal Bureau of Prisons (BOP), the Office of Justice Programs (OJP), Offices of the United States Attorneys, the Organized Crime Drug Enforcement Task Forces Program (OCDETF), and the United States Marshals Service (USMS). Based on the review of the reports, nothing came to the attention of the OIG that caused them to believe that the submissions were not presented, in all material respects, in accordance with the requirements of ONDCP's Circular, and as otherwise agreed to with ONDCP.

Department of the Labor

The Department of Labor submitted an alternative report (Tab I) for the Employment and Training Administration (ETA) Job Corps program in compliance with the requirements of the

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ONDCP Circular. The report documents the agency's drug control related performance measures, targets, and supporting data systems. Since its prior year obligations for drug control activities fall below the ONDCP Circular's threshold of \$50 million, an OIG authentication was not required.

Department of State

The Department of State submitted separate reports (Tab J) for the Bureau of International Narcotics Control and Law Enforcement Affairs (INL) programs and the U.S. Agency for International Development (USAID). Based on a review of the reports and accompanying management assertions, nothing came to the attention of the OIG that would lead them to believe that the report did not meet the requirements of the ONDCP Circular.

Department of Transportation

The Department of Transportation submitted separate reports (Tab K) for the Federal Aviation Administration (FAA) and the National Highway Traffic Safety Administration (NHTSA).

FAA: FAA submitted a Performance Summary Report for the year ended September 30, 2014. Since FAA's obligations in FY 2014 were less than the threshold of \$50 million, they submitted an alternative report with a statement from an accountable senior executive, attesting that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden. FAA is in compliance with the ONDCP Circular.

NHTSA: NHTSA submitted a Performance Summary Report for the year ended September 30, 2014. NHTSA's OIG reported that no information came to their attention that NHTSA's Performance Summary report was not presented in conformity with ONDCP's Circular.

Department of the Treasury

The Performance Summary Report (Tab L) of the Department of the Treasury documents the performance measures, targets, and data system of the Internal Revenue Service's Criminal Investigation narcotics-related program. Management assertions about the validity and soundness of IRS' performance measures, targets, and data system were reviewed by the Office of the Treasury Inspector General for Tax Administration. Based on their review, the Office concluded that nothing came to their attention that caused them to believe that the assertions in the Performance Summary Report was not fairly presented in all material respects in accordance with the criteria set forth in the ONDCP Circular.

Department of Veterans Affairs

The Department of Veterans Affairs (VA) fully complied with the requirements of the ONDCP Circular. The VA Performance Summary Report (Tab M) focuses on Continuity of Care and Research & Development in the Veterans Health Administration. Based on its review, the OIG concluded that nothing came to its attention that would lead it to believe that VA does not have a system to capture performance information accurately and the system was not properly

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applied to generate the performance data reported in the Performance Summary Report in all material respects, based upon the ONDCP Circular. VA has continued implementation of a measure of patient-reported abstinence from drug use during early recovery, reporting FY 2014 achieved performance metrics and a FY 2015 target.

Conclusion

Most National Drug Control Program agencies submitted a Performance Summary Report for FY 2014 and are compliant with the ONDCP Circular. A few agencies did not submit a report or were not in compliance with the ONDCP Circular. ONDCP will work with the Department of Defense's (DoD) Deputy Assistant Secretary for Counternarcotics and Global Threat (CN & GT) on its 2015 report so that they are in full compliance. ONDCP will note in its FY 2017 funding guidance that the Department of Interior's National Park Service and the Department of Housing and Urban Development's Office of Community Planning and Development were not in compliance with the ONDCP Circular. While the Department of Health and Human Services' Centers for Medicare & Medicaid Services (CMS) and DoD Health Affairs (HA) are working on developing performance measures, they were not required to submit reports this year and will be notified to submit reports on their performance development efforts for FY 2015 by February 1, 2016.

TAB A: Department of Agriculture

Performance Summary Review

Drug Resources by Function	FY2012	FY2013	FY2014
Investigations	\$14.000	\$14,000	\$11.400
Intelligence	0.200	0.200	0.200
State and Local Assistance	0.700	0.600	0.600
Research and Development	0.000	0.000	0.000
Prosecution	0.300	0.300	0.200
Prevention	0.100	0.100	0.000
Total	\$15.300	\$15.200	\$12.400
Drug Resources by Decision Unit			
Detection & Monitoring	\$15.300	\$15.200	\$0.000
Law Enforcement Agency Support	0.000	0.000	12.400
Demand Reduction	0.000	0.000	0.000
Total	\$15.300	\$15.200	\$12.400
Drug Resources Personnel Summary			
Total FTEs	66	66	58
Information			
Total Agency Budget	\$4,845.9	\$4,556.6	\$4,770.6
Drug Percentage	0.3%	0.3%	0.3%

Budget Authority in Millions

Performance Introduction

In 2014, the U.S. Forest Service (FS) has continued to experience a variety of drug activity on lands under its jurisdiction. The information in this summary report reflects data and outcomes based on analysis of drug enforcement and investigation activities of the U.S. Forest Service Law Enforcement and Investigation (LEI) component. The estimation of funds allocated for drug enforcement activities are based on an analysis of LEI workload that takes into account all law enforcement responsibilities related to the mission of the FS. Fiscal Year (FY) 2014 is the second year the FS has been required to provide National Drug Control Program Performance Summaries using the current performance measure. Therefore, a current year target has not been established. This report includes performance measures, targets, and achievements for the years indicated and only where data or analysis is available. The data was gathered and reported using the Law Enforcement and Investigations Management Attainment Reporting System (LEIMARS), internal evaluations, and other agency information.

Performance Measure: *Drug Cases Referred for Adjudication*

Percent of Drug Cases Referred for Adjudication			
Fiscal Year	2012	2013	2014
Target	*	*	*
Actual	**	33.6	27.0

*Current and prior year targets not established. **Prior year data not available.

1.) Description

The measure quantifies the percentage of assigned drug cases referred for adjudication that resulted in negative consequences. The outcome serves as an indicator of successful investigative activities and reflects significant enforcement and investigative efforts conducted by LEI to combat drug production on public lands. The cultivation of marijuana and production of other controlled substances on National Forest System (NFS) lands continues to be a significant problem. These activities increase the risks to the health and safety of the visiting public and employees and the continued viability of the nation's natural resources. Efforts and initiatives to *Eradicate Marijuana Cultivation* are a central priority of the *Disrupt Domestic Drug Trafficking and Production* section of the 2014 National Drug Control Strategy.

2.) FY 14 Actual Performance Results

In FY 2014, 27.0 percent of assigned drug cases referred for adjudication resulted in negative consequences. Although there was no identified target for FY 2014, the FY 2013 percentage was 33.6 percent. Due to limited prior year performance data for comparison, it is unclear what specific factors may be contributing to the percentage reduction. Also in FY 2014, 655,864 marijuana plants were eradicated from NFS lands compared to over 1 million plants eradicated in FY 2013. The reduction in eradicated plants is likely attributable to several factors including the severe drought in California, continued pressure on illegal growers on public lands, and reduced enforcement and investigative resources. However, the above data is representative of the significant and measurable impacts FS enforcement operations and investigations have had on illegal drug activities on Public and other adjacent lands.

The FS, in partnership with many local, state, and other Federal agencies, has long employed methods in support of the *Strategy* to identify, investigate, disrupt, prosecute, and ultimately dismantle drug trafficking organizations involved in marijuana cultivation on NFS and other public lands. The FS also routinely reclaims grow sites to mitigate the dangerous and far-reaching adverse environmental effects and deny continued use by illegal cultivators. As a

result of these strategies, in recent years there has been a significant decrease in marijuana cultivation operations and the resulting resource and environmental damage on public lands. However, due to the successful public land enforcement and investigative operations, there has been a shift by illegal cultivators to private and other adjacent lands. The FS will continue to partner with local, state, and Federal cooperators to address illegal cultivation on NFS, public, and other adjacent lands.

In FY 2014, the FS participated in multiple operations in partnership with other state, local, and Federal partners. Major operations in California through CAMP focused not only on public lands, but adjacent private lands, as well. Teams consisting of Federal, state, and local law enforcement officers eradicated 833,966 marijuana plants in 322 grow sites. On NFS lands alone, 406,336 marijuana plants in 149 sites were eradicated and reclaimed. These efforts also resulted in the seizure of over 9,700 pounds of processed marijuana, 38 firearms, and 67 arrests. Reclamation and cleanup efforts included the removal of 31 metric tons of infrastructure; 5 metric tons of fertilizers; 88 pounds of pesticides; 14 gallons of restricted or banned use poisons; nearly 90 miles of irrigation pipe; and 185 man-made dams/reservoirs were removed from NFS lands during these operations.

The FS will continue to provide the personnel, support, and leadership necessary to protect the natural resources from the harmful effects of drug production and trafficking on public lands. In support of the *Strategy*, and as stewards of the land, it is vital that we protect these lands for current users and for future generations.

3.) FY 14 Performance Targets

LEI Performance Targets have not been established for FY 2014. New performance targets have been established for future reporting periods. The targets are based on prior year activity and performance to reflect an initial baseline for performance. The target for FY 2015 is 28% and 29% for FY 2016.

4.) Quality of Performance Data

The 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.

Management Assertions

1. Performance reporting system is appropriate and applied.

The LEI LEIMARS system captures performance information accurately and the system was applied properly to generate the performance data.

2. Explanations for not meeting performance targets are reasonable.

There were no established performance targets for LEI in FY 2014.

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

The methodology described to establish future performance targets is reasonable.

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

LEI's newly established performance measure is adequate and reflects all significant drug activities.



David L. Ferrell

Director

U.S. Forest Service

Law Enforcement & Investigations

1/21/2015

Date

TAB B: Court Services and Offender Supervision Agency



Court Services and Offender Supervision Agency

Office of the Director

January 23, 2015

The Honorable Michael Botticelli
Acting Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Mr. Botticelli:

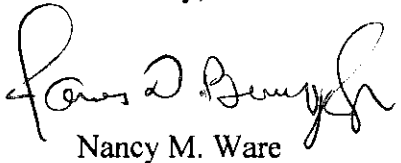
The Court Services and Offender Supervision Agency (CSOSA) is required by Office of National Drug Control Policy (ONDCP) Circular 'Accounting of Drug Control Funding and Performance Summary', dated January 18, 2013, to present assertions concerning the accounting of all FY 2013 funds expended on ONDCP 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 accounting and related performance information and my qualified authentication of these assertions. CSOSA does not have an Inspector General (IG) component or function to review and express a conclusion on the reliability of the accounting and performance assertions made in this report. Therefore, CSOSA requests a waiver for the IG authentication requirements outlined in the Circular.

To the best of my knowledge the FY 2014 accounting and performance assertions presented by CSOSA are accurate and complete. However, one continuing concern we share with other jurisdictions is that the use of synthetic drugs by our offender and defendant populations is not fully detectable by our current drug testing activities, which presents challenges to our supervision and treatment support activities.

Sincerely,

 For Nancy Ware

Nancy M. Ware
Director

Enclosures

CSOSA Community Supervision Program Accounting Submission / Assertions: dated January 16, 2015

CSOSA Community Supervision Program Performance Reporting Submission / Assertions: dated January 16, 2015

CSOSA Pretrial Services Agency for the District of Columbia Accounting and Performance Reporting Submission / Assertions: dated January 6, 2015



Court Services and Offender Supervision Agency

January 16, 2015

The Honorable Michael Botticelli
Acting Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Mr. Botticelli:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *Accounting of Drug Control Funding and Performance Summary*, I make the following assertions regarding the annual accounting of drug control resources for the Court Services and Offender Supervision Agency's (CSOSA's) Community Supervision Program (CSP) for the previous fiscal year (FY 2014). CSP is one of two programs (Decision Units) within the CSOSA appropriation.

FY 2014 Drug Control Obligations by Budget Decision Unit and Function:

I assert that drug budget obligations reported by CSP are the actual obligations from CSP's accounting system of record (Oracle Federal Financials), consistent with the drug budget methodology discussed below.

Drug Resources Function:	FY 2014 Actual (Millions)
Prevention	\$10.677
Treatment	\$24.408
Total Drug Resources by Function	\$35.085

Note that resources reported above do not include ONDCP High Intensity Drug Trafficking Area (HIDTA) grant funding received by CSP on a cost reimbursable basis.

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.

I assert that the drug methodology used to calculate obligations of prior year budgetary resources by function was reasonable and accurate in accordance with the criteria listed in Section 6a(1) of the Circular. In accordance with these criteria, I have documented/identified data which support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial system supporting the drug methodology yield data that present fairly, in all material respect, aggregate obligations from which drug-related obligation estimates are derived.

CSP uses a cost allocation methodology to determine ONDCP Prevention and Treatment function obligations, including both direct (e.g., direct staff, direct contracts) and indirect (e.g., rent, management) obligations, supporting CSP Drug Testing and Treatment activities. The resources for these activities are derived based on actual obligations posted to specific accounting parameters in Oracle Federal Financials and allocated to strategies and activities based on CSP's Strategic Plan framework.

Effective for the FY 2015 budget cycle, CSP reported the following new ONDCP Drug Budget resource methodology based on our new FY 2014 – 2018 Strategic Plan framework.

Prevention (Drug Testing):

Strategic Objective 1.2: Close Supervision

- 20 percent of resources allocated to Close Supervision (1.2) to account for offender Drug Testing (Prevention) resources.
 - Rationale: CSP estimates that 20 percent of resources allocated to Close Supervision are related to obtaining and testing offender drug samples.

Treatment:

Strategic Objective 2.1: Treatment and Support Services

- 50 percent of resources allocated to Treatment and Support Services (2.1) to account for offender substance abuse **Treatment** resources.
 - Rationale: CSP uses approximately 50 percent of our Treatment budget to support contract substance abuse treatment; the remaining 50 percent supports contract transitional housing, halfway back sanctions and sex offender treatment.

CSP Strategic Objective	Total FY 2014 Strategic Objective Resources (FY 2016 CSOSA CBJ)	FY 2014 ONDCP Drug Budget Resources (Millions)	ONDCP Function
1.2: Close Supervision	\$53.386	\$10.677	Prevention/Drug Testing
2.1: Treatment and Support Services	\$48.816	\$24.408	Treatment
Total CSP FY 2014 Drug Resources		\$35.085	

Material Weaknesses and Other Findings:

CSOSA received an “unqualified” (clean) opinion on the FY 2014 consolidated financial statements. The independent auditing firm KPMG found no significant material control weaknesses or significant control deficiencies.

Reprogrammings or Transfers:

In FY 2012, as a result of Agency budgetary challenges, CSP reduced our appropriated offender Treatment, Halfway Back Sanctions and Transitional Housing budget by \$1.685 Million. In FY 2013, as a result of Sequestration, CSP reduced this budget item by an additional \$3.305 Million. The FY 2014 Enacted Budget restored the Sequestration reduction. CSP did not reprogram or transfer resources from our FY 2014 offender Treatment, Halfway Back Sanctions and Transitional Housing budget; all appropriated funds were used for these programs.

Please let me know if you need additional information.

Sincerely,



Paul Girardo

Chief Financial Officer



**Court Services and Offender Supervision Agency
for the District of Columbia**

*Office of the Director
Office of Research and Evaluation*

MEMORANDUM

TO: The Honorable Michael Botticelli
Acting Director, Office of National Drug Control Policy

THRU: Paul Girardo
Associate Director, Office of Financial Management
Court Services and Offender Supervision Agency

FROM: David Huffer, PhD
Associate Director, Office of Research and Evaluation
Court Services and Offender Supervision Agency

DATE: January 16, 2015

SUBJECT: Assertions Concerning Performance Summary Report

Revised Office of National Drug Control Policy (ONDCP) Drug Control Budget and Performance Accounting Circular (Circular), I make the following assertions regarding the attached Performance Summary 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 performance target 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 performance and available resources in accordance with Section 7c of the Circular.

Adequate performance measures exist for all significant drug control 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(1)(A) and that each performance measure reflects the intended purpose of the relevant National Drug Control Program activity.



PRETRIAL SERVICES AGENCY *for the* DISTRICT OF COLUMBIA
OFFICE OF FINANCE AND ADMINISTRATION

January 6, 2015

The Honorable Michael Botticelli
Acting Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Mr. Botticelli:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *Accounting of Drug Control Funding and Performance Summary*, I make the following assertions regarding the annual accounting of drug control resources and the Performance Summary Report for the Court Services and Offender Supervision Agency (CSOSA), Pretrial Services Agency for the District of Columbia (PSA) for fiscal year 2014. Full compliance with this Circular constitutes an unreasonable reporting burden for PSA.

PSA is an independent agency within 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. The result is that, in the District of Columbia (D.C. or District), unnecessary pretrial detention is minimized, jail crowding is reduced, public safety is increased and, most significantly, the pretrial release process is administered fairly.

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 disorder¹ 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.

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

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 2014 drug control budgetary resources by drug control function.

	FY 2014 Actuals (in millions)
Drug Resources by Drug Control Function	
Prevention	\$10.884
Treatment	\$5.739
Total Drug Resources by Function	\$16.623
Drug Resources Personnel Summary	
Total FTEs (direct only)	113

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 D.C. Misdemeanor and Traffic Initiative (DCMTI), 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.

PSA responds to drug use by referring defendants to appropriate internal or external treatment services. For certain categories of defendants, PSA provides both close supervision and in-house treatment. For others, PSA refers and places defendants in sanction-based residential treatment via contract-funded providers while continuing to provide supervision. 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, and are not optimal for higher risk defendants who require close monitoring.

Drug Methodology

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

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

Strategic Goal 1 – Help judicial officers make informed release and detention decisions throughout the pretrial period. PSA promotes informed and effective release determinations by formulating and recommending the least restrictive release conditions to reasonably assure that the defendant will appear for scheduled court dates and not pose a threat to any person or to the community while on release.

Strategic Goal 2 – Supervise defendants to support court appearance and enhance public safety. PSA effectively monitors or supervises pretrial defendants—consistent with the court-ordered release conditions—to promote court appearance and public safety.

Strategic Goal 3 – Integrate treatment and pro-social interventions into supervision to support court appearance and enhance public safety. PSA provides or makes referrals to effective substance use disorder, mental health, and social services that will assist in reasonably assuring that defendants return to court and do not pose a danger to the community.

Material Weaknesses or Other Findings

CSOSA received an “unmodified” (clean) opinion on the FY 2014 consolidated financial statements. The independent auditing firm KPMG found no significant issues or material weaknesses, and verified that PSA's financial records accurately reflected the financial condition of the Agency.

Assertions

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

The drug methodology used to calculate FY 2014 obligations is reasonable and accurate.

PERFORMANCE SUMMARY REPORT

Performance Reporting

Drug use is a proven contributor to pretrial misconduct. For example, in FY 2014, the rearrest rate for drug-using defendants was double those of non-users (16% vs. 8%). Defendants with substance use disorders pose even greater risk of criminality. Targeting drug-use reduction has been a successful strategy in minimizing risk within this population.

Metric: Percentage of defendants who have a reduction in drug usage following placement in a sanction-based treatment program

FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2014 Target
84%	85%	83%	85%	74%

FY 2014 Actual Performance Results

The final performance result for the metric in FY 2014 was 85%, exceeding the 74% performance target.

Quality of Performance Data

Drug test data are recorded in PSA's *Pretrial Real-time Information System Manager (PRISM)* client/case management system and extracted from the Agency's *Performance Improvement Center* data warehouse. PSA's Office of Strategic Development validates the programming language and coding used to extract and transfer PRISM information to the data warehouse each fiscal year and PSA management approves the performance.

Assertions

PSA has a system to capture performance information accurately and that system was properly applied to generate the performance data reflected above.

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

PSA has established at least one acceptable performance measure for which a significant amount of obligations were incurred in FY 2014.

If you have any questions concerning this report, please contact me at wendy.miller@psa.gov or 202-220-5680.

Sincerely,

Wendy L. Miller

Digitally signed by Wendy L. Miller
DN: cn=Wendy L. Miller, o=Office of Finance and
Administration, ou, email=wendy.miller@psa.gov,
c=US
Date: 2015.01.06 13:02:10 -05'00'

Wendy L. Miller

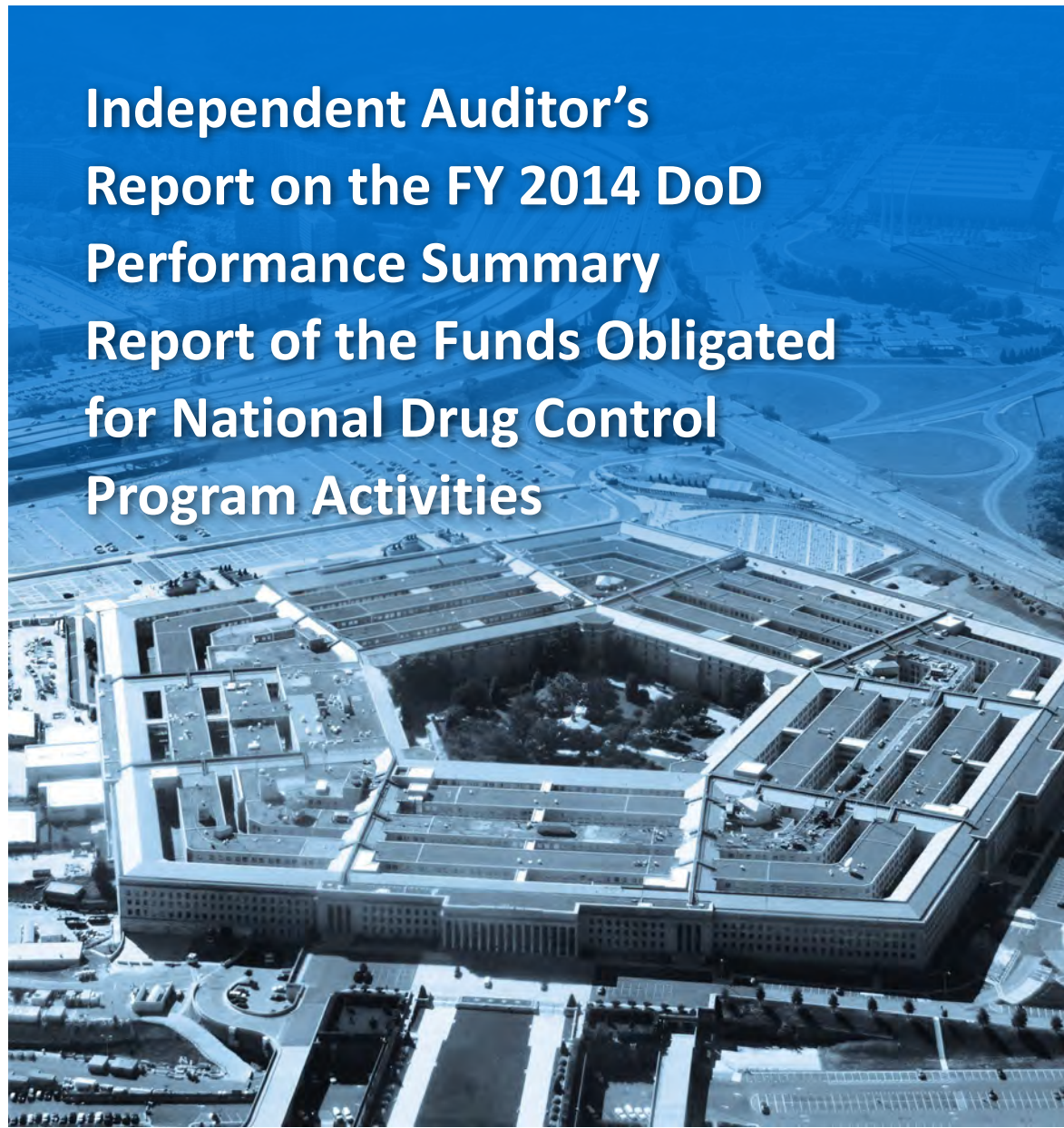
TAB C: Department of Defense



INSPECTOR GENERAL

U.S. Department of Defense

JANUARY 30, 2015



Independent Auditor's Report on the FY 2014 DoD Performance Summary Report of the Funds Obligated for National Drug Control Program Activities

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

Mission

Our mission is to provide independent, relevant, and timely oversight of the Department of Defense that supports the warfighter; promotes accountability, integrity, and efficiency; advises the Secretary of Defense and Congress; and informs the public.

Vision

Our vision is to be a model oversight organization in the Federal Government by leading change, speaking truth, and promoting excellence—a diverse organization, working together as one professional team, recognized as leaders in our field.



For more information about whistleblower protection, please see the inside back cover.



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

January 30, 2015

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/
CHIEF FINANCIAL OFFICER, DOD
DEPUTY ASSISTANT SECRETARY OF DEFENSE
(COUNTERNARCOTICS AND GLOBAL THREATS)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)
NAVAL INSPECTOR GENERAL
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Independent Auditor's Report on the FY 2014 DoD Performance Summary
Report of the Funds Obligated for National Drug Control Program Activities
(Report No. DODIG-2015-074)

The Office of National Drug Control Policy (ONDCP) Circular: Accounting of Drug Control Funding and Performance Summary, January 18, 2013, (the Circular), requires DoD to provide a performance summary report (Report) to the Director, Office of National Drug Control Policy by February 1 of each year. The Circular requires that the DoD Office of the Inspector General review the report and express a conclusion on the reliability of the report.

The Circular outlines the four required components of the information the Deputy Assistant Secretary of Defense, Counternarcotic & Global Threats (DASD [CN & GT]) must include in their Report. The required components are:

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

The Circular also requires DASD (CN & GT) to make four assertions about the performance-related information presented in the Report.

The DASD (CN& GT) was responsible for compiling and transmitting the Report. We reviewed the Report in accordance with the attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted Government auditing standards. Those standards required that we plan and perform the attestation to obtain enough evidence to provide a reasonable basis for our findings and conclusions based on our attestation objective. We believe the evidence provides a reasonable basis for our findings and conclusions and is in line with our attestation objective. 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.

In a letter dated December 11, 2014, DASD (CN & GT) provided the Report. We reviewed the Report to determine compliance with the Circular. The FY 2014 Performance Summary Report described how DoD executed a \$1.41 billion counternarcotics program in accordance with the DoD Counternarcotics Global Threat Strategy. DoD compiled its own data along with that of external sources from the DoD counternarcotics website.

DASD (CN & GT) reported on the DoD Drug Demand Reduction Activity and the Counternarcotics and Global Threats activities for FY 2014. DASD (CN & GT) also reported information pertaining to three strategic goals and performance measures related to those strategic goals. Each strategic goal had one associated performance measure. See attachment for more information about the strategic goals and performance measures.

Based on our review, the Report did not conform, in all material respects, to the Circular. Specifically, the Report materially deviated from the requirements of the Circular because DASD (CN & GT) did not provide sufficient support for the data presented in Strategic Goal 1.

Other than the deficiency indicated in this report, we are not aware of any material modifications that should be included in the FY 2014 Performance Summary Report.



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

Attachment:
As stated

Attachment

Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats



SPECIAL OPERATIONS/
LOW-INTENSITY CONFLICT

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

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

Mr. Jon Rice
Associate Director
Performance and Budget (Room 535)
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

DEC 11 2014

Dear Mr. Rice:

On behalf of the Department of Defense (DoD), I am pleased to submit the attached DoD FY2014 Counternarcotics Performance Summary Report. As required by the Office of National Drug Control Policy Circular: Drug Control Accounting dated January 18, 2013, I assert that:

- Our performance reporting system is appropriate and properly applied to generate performance data.
- Current performance results for each strategic goal are reasonably explained and include plans for meeting future performance targets.
- The methodology used to establish performance targets is reasonable given past performance and available resources
- Acceptable performance measures exist for all of our significant drug control activities.

I anticipate that your office will provide valuable feedback regarding our performance accounting, and your inputs will help us improve the effectiveness of our contributions to the President's National Drug Control Strategy. My point of contact for this action is Mr. Trace Crider, 703-693-7379, (tracey.e.crider.ctr@mail.mil).

Caryn C. Hollis
Deputy Assistant Secretary of Defense
Counternarcotics and Global Threats

Attachment:
As stated

DoD FY 2014 Counternarcotics Performance Summary Report



FY 2014 Counternarcotics Performance Summary Report

U.S. Department of Defense

UNCLASSIFIED
January 14, 2015

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

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

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DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

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DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

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DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

EXECUTIVE SUMMARY

In accordance with the Department of Defense (DoD) Counternarcotics and Global Threats Strategy, dated April 27, 2011, DoD commits resources in support of an integrated military and civilian counternarcotics program designed to combat drug trafficking and related forms of transnational organized crime. DoD's counternarcotics program, through its above referenced strategy, supports the National Drug Control Strategy and the National Strategy to Combat Transnational Organized Crime.

In FY 2014, DoD executed its counternarcotics program in accordance with the following strategic goals:

- *Strategic Goal 1.* To disrupt and, to the degree possible disable, not only the nexus of actors and activities but also the individual activities of trafficking, insurgency, corruption, threat finance, terrorism, and distribution of precursor chemicals in Afghanistan/Pakistan such that material support for the insurgency and terrorists is significantly reduced, the Afghan National Police and other law enforcement agencies are strengthened, and the governments of Afghanistan and Pakistan are reinforced.
- *Strategic Goal 2.* Illicit drug and drug precursor trafficking and related transnational organized criminal threats to U.S. national security interests in the Western Hemisphere – particularly in Mexico, Central America, Colombia, and Peru – are reduced sharply in a manner sustained by partner nations.
- *Strategic Goal 3.* The size, scope, and influence of targeted Transnational Criminal Organizations (TCOs) and trafficking networks are mitigated such that these groups pose only limited, isolated threats to U.S. national security and international security. The United States and partner nations have developed layered and coordinated approaches that regularly disrupt the operations of these organizations and networks, limit their access to funding, reduce their assets, and raise their costs of doing business.

Through these strategic goals, DoD continued to provide significant support to U.S. and partner nation drug law enforcement agencies in the areas of training, communications support, infrastructure, intelligence, transportation, equipment, command and control, and detection and monitoring. Additionally, the Department remains committed to keeping drug use low among its active duty and civilian personnel. This summary includes performance measures, targets, and achievements for the latest year in which data were available.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

QUALITY OF PERFORMANCE DATA

ALIGNMENT AND ARCHITECTURE

DoD's counternarcotics strategic goals contain a series of comprehensive and complementary objectives that provide the insight and direction necessary for all DoD counternarcotics components to prioritize programs and activities they implement. Using counternarcotics Central Transfer Account funding, these programs and activities support other government departments and agencies under a whole-of-government framework. DoD uses performance data to gauge effectiveness, observe progress, and to measure actual results for comparison to expected results. Data used for monitoring varies amongst components and reporting reflects the unique result being measured. Since DoD counternarcotics activities primarily focus on detection and monitoring, information sharing, and partner nation capacity building, data that best describe DoD's contribution to its strategic enabling role are suitable.

FRAMEWORK AND LIFECYCLE

DoD uses performance results frameworks to explicitly link and index strategic goals to underlying intermediate objectives and activities. Linking discrete inputs to outputs to outcomes provides a logical and meaningful structure for aggregating performance data to provide information that is both useful and informative to strategic decision making and operational tactics.

The evolution of performance information over the lifecycle of a counternarcotics activity guides DoD's selection of performance data. Early in the lifecycle, milestones are relevant for informed decision making. As mission requirements begin to be executed and sustained, outputs become more meaningful for decision-making and resource allocation. As the counternarcotics activity matures, outcome and impact indicators become the relevant focal point for assessing progress towards strategic goals.

MANAGEABLE INTEREST

Through memorandums of agreement and memorandums of understanding, DoD provides assistance to the interagency and to our partner nations in accordance with the objectives of the National Drug Control Strategy. In situations where DoD is unable to obtain performance information from sources outside of DoD control, DoD counternarcotics program managers may choose to rely upon output indicators as proxies for outcome and impact indicators.

As many programs, partnerships, and capabilities mature, DoD components are building rating systems and progress reports that aggregate many input and output indicators to gauge a milestone status, readiness capability, or operating capability. Both qualitative and quantitative data make up these rating systems.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

DATA SOURCES AND COLLECTION METHODS

DoD counternarcotics performance data are either primary data or secondary data. Primary data are collected directly by DoD, and secondary data are collected by external sources such as open source data, partner nation data, and data collected by other services or agencies. DoD recognizes that performance data are only as reliable as the underlying data source. Consequently, DoD considers the relevance, reliability, availability, and verifiability of the data source in selecting performance data. DoD performs appropriate data validation and verification and discloses any performance data limitations related to data sources, data completeness, or data validity.

During FY14, DoD continued to leverage technology systems to facilitate collection of performance data for management decisions at the operational and strategic level. DoD collected FY14 performance data through its counternarcotics website, in order to enable contemporaneous analysis of strategic goals, budgetary resources, program activities, and performance metrics. These systems allow DoD to more efficiently push and pull performance data as required for stakeholder reporting and various programmatic functions.

PERFORMANCE TARGETS

Target setting is a DoD management process delegated to counternarcotics program managers who are knowledgeable about specific counternarcotics activities and associated performance information. Obtaining performance targets from those who are most closely involved with the counternarcotics 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, DoD reviews trends and history and considers variations in performance, peaks, troughs, and seasonal, economic, and political factors. Other factors considered include new authorities, changes in existing authorities, and new political leadership.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

PERFORMANCE RESULTS AND DISCUSSION

DoD provides the following Table of Deviations for its FY 2014 Performance Summary Report submission. This table addresses deviations from requirements of the Office of National Drug Control Policy Circular: Drug Control Accounting, dated January 18, 2013.

DEVIATION FROM CIRCULAR	EXPLANATION
Strategic Goal 1, Measure 1 is missing historical data for FY10 and target data for FY15.	With the transition of U.S. and Coalition forces from Afghanistan by the end of 2014, capacity building programs for the Counter Narcotics Police – Afghanistan have been transferred to the Afghan National Police and Ministry of Interior. Therefore, FY14 will be the last year the CNPA Capability Milestone Rating will be reported by USCENTCOM. Additionally, due to the creation of the milestone rating system in 2010, there is no historical data for that year.
Strategic Goal 3, Measure 1 is missing data for FY10 and FY11, and there is no target data for FY14.	This measure reflects National Guard Counterdrug and CTF programs. National Guard established its CTF program in FY12. There are no data for prior years and no previous trending information to help establish targets. However, based on insight gained from the last 3 years of actual data, NGB has set a target for FY15.
One acceptable performance measure for each Drug Control Budget Decision Unit, as defined in 6a(1)(A).	Although the annual Drug Interdiction and Counterdrug Activities, Defense appropriation is apportioned along budget decision unit lines (i.e., military personnel; operation and maintenance; procurement; and research, development, test and evaluation), DoD's counternarcotics program is measured based on the strategic goals outlined in the DoD Counternarcotics and Global Threats Strategy dated April 27, 2011. DoD presents at least one acceptable performance measure per strategic goals 1-3.

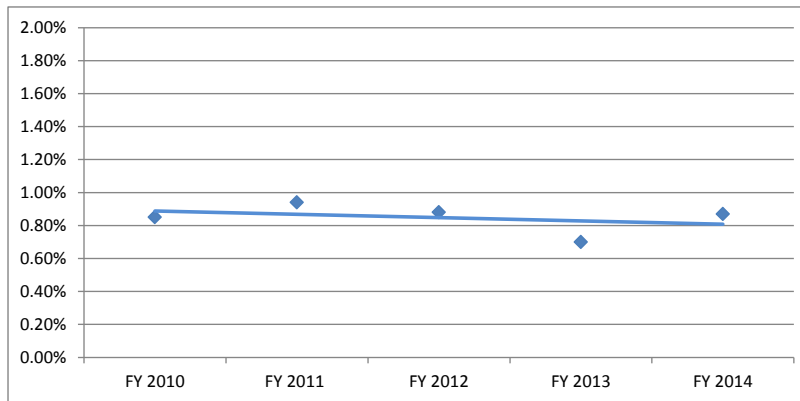
DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

DRUG DEMAND REDUCTION

Measure 1: Active duty military personnel testing positive for drug use. (T = FY15 target)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 T	FY 2014	FY 2015 T
	0.85%	0.94%	0.88%	.70%	<2%	.87%	< 2%
FY14 Unique military members testing positive						15,445	
FY14 Unique military members tested						1,782,964	

Source: Defense Manpower Data Center FY14 drug testing metrics; U.S. Army Medical Information Technology Center

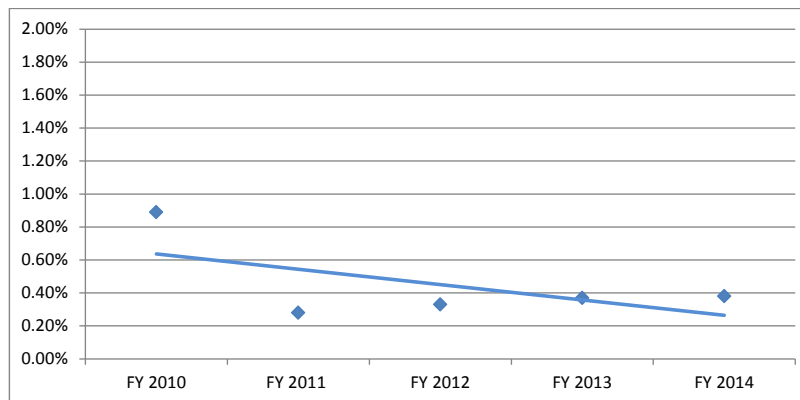


DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

Measure 2: DoD civilian personnel testing positive for drug use. (T = FY15 target)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 T	FY 2014	FY 2015 T
	0.89%	0.28%	0.33%	0.37%	<1%	0.38%	<1%
FY14 Unique civilian members testing positive						440	
FY14 Unique civilian members tested						116,629	

Source: Defense Manpower Data Center FY14 drug testing metrics; U.S. Army Medical Information Technology Center; Pembroke Occupational Health, Inc.



The 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. The program components include compulsory random drug testing with punitive consequences and anti-drug education and outreach programs. 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. An additional source of determining the effectiveness of the DDRP is the DoD Survey of Health Related Behaviors. The DoD survey is conducted every three years as an additional measure of effectiveness because it is independent from the drug testing program. The specific metric from the survey monitored is self-reported use of illicit drugs and misuse of prescription drugs within the past 30 days.

DoD is on track to keep the illicit drug positive rate below 2% showing a downward trend for both active duty personnel and DoD civilian personnel. Defense policy is to ensure 100% random urine drug testing for all active, reserve, and National Guard. Given the success of the Defense civilian drug testing program, the DoD random testing rate for civilians in testing designated positions will be 100% over a two year period, or 50% of the workforce per year.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

COUNTERNARCOTICS AND GLOBAL THREATS

In Africa, DoD works to build the capability, capacity and competency of our partner nations with a focus on the countries of Senegal, Ghana, Nigeria, Kenya, and Tanzania, to include an expanded focus in the trans-Sahara region. In FY14, AFRICOM trained 2,300 partner nation students through CN funded training events. Courses of instruction included interdiction and apprehension, border control, and intelligence and information sharing.

DoD focuses building partnership capacity in the Pacific in the Philippines, Indonesia, Thailand, Vietnam, and Cambodia. In these partner nations, PACOM trains personnel in the disruption and degradation of transnational criminal organizations, illicit drug trafficking, foreign terrorist organizations, and militant movements. In FY14, DoD engaged with partner nation law enforcement and special operations forces resulting in 829 students trained in CN operational skill sets.

In Europe, DoD engages our European partners in collaborative interagency partnerships at the state and local levels, with a focus on Turkey, Bulgaria, the Balkans, and other Mediterranean countries, to secure borders, deny use of air, land, and coastal waters for illicit drug trafficking and transnational organized crime, and control the flow of illicit drugs and ill-gotten proceeds. In FY14, DoD provided counternarcotics training to 282 partner nation personnel.

In support of countering global threats, DoD counter threat finance (CTF) programs synchronize Combatant Command and federal law enforcement missions to target financial flows tied to drug trafficking and related forms of transnational organized crime. These CTF programs regularly support the U.S. Department of the Treasury’s enforcement of the Foreign Narcotics Kingpin Designation Act. In FY14, DoD proposed 12 targets for inclusion in the President’s Tier I Drug Kingpin List. Two of DoD’s nominations made the President’s final list of six targets. These designations enable the U.S. to disrupt foreign drug traffickers, their related businesses, and their operatives by denying access to the U.S. financial system and prohibiting all trade and transactions between the traffickers and U.S. companies and individuals.¹

STRATEGIC GOAL 1

Measure 1: Counter Narcotics Police of Afghanistan (CNPA) Capability Milestone Rating

FY 2011	FY 2012	FY 2013	FY 2013	FY 2014T	FY 2014A *
CM-3	CM-2B	CM-2A	CM-2B	CM-2A	CM-1B

*FY14 will be the last year this metric will be reported.

The primary performance method used by the Counter Narcotics Police of Afghanistan (CNPA) operational effectiveness program is the Capability Milestones (CM) Rating System. The CM Rating System uses a numeric rating (1 through 4) to determine level of capability based upon a combination of qualitative and quantitative output and outcome indicators reflecting progress towards end-state capabilities related to strategic leadership, operational planning, personnel and training, finance and logistics management, and information management.

¹ Source for paragraph: Official communication with CN> Policy Action Officer for Kingpin designations.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

CM-1A	Ability to accomplish mission or task autonomously with no Coalition involvement
CM-1B	Ability to accomplish mission or task with Coalition oversight only, meets all requirements for CM-2A, and filled to 90% of total authorizations
CM-2A	Ability to accomplish mission with minimal Coalition assistance limited to critical ministerial functions and meet all requirements for CM-2B
CM-2B	Ability to accomplish mission with some Coalition assistance for all tasks after all key personnel have required training, meet all requirements for CM-3, 75% of total authorizations filled, 90% of leadership positions filled, and 90% of required equipment is on hand and operational
CM-3	Ability to accomplish mission with significant coalition assistance, meets all requirements for CM-4, at least 50% of total authorizations filled, at least 75% of leadership positions filled, and sufficient equipment for assigned personnel is on hand and operational
CM-4	Cannot accomplish mission or task, basic requirements exist, 25% of total authorizations filled, personnel training is ongoing, and equipment is still being acquired

The objective of the CNPA program is to create and transition to the Government of the Islamic Republic of Afghanistan accountable, effective, and self-reliant Afghan counternarcotics security forces capable of containing the illicit drugs trade, including by strengthening U.S. and foreign law enforcement support capabilities (through the provision of training, equipment, infrastructure, intelligence support, and command, control, communications, computers, and intelligence systems) to sustain counternarcotics efforts as U.S. military forces draw down.

Beginning in 2010, U.S. and Coalition efforts focused on the eventual transition of security responsibility to the Government of the Islamic Republic of Afghanistan (GIROA). Afghan Army and police training activities were led and managed by the NATO Training Mission-Afghanistan (NTM-A) and Combined Security Transition Command-Afghanistan (CSTC-A). In September 2011, NTM-A/CSTC-A directed the development of Ministerial Development Plans (MDP) for each of the respective Afghan National Police and Ministry of Interior components, including the Counternarcotics Police of Afghanistan (CNPA). The purpose of these plans was to provide NTM-A/CSTC-A with a means to periodically assess organizational development and operational capability.

The DoD, in conjunction with the Department of Justice's International Criminal Investigative Training Assistance Program (DoJ/ICITAP), stood up the CNPA Development Unit (CDU). The CDU's mission was to manage the institutional development and progress of the CNPA and transition to the Government of the Islamic Republic of Afghanistan an accountable, effective, and self-reliant Afghan counternarcotics security force capable of containing the illicit drugs trade. CDU leadership was adamant this would be an Afghan-led process and in late October 2011, the CDU facilitated a strategic review of the CNPA organization to identify the most important and pressing problems within the organization according to the CNPA leadership. The review eventually identified seventy-two strategic tasks that would become the focus of the CNPA MDP. As of 30 June 2014, when the MDP came to a conclusion, a total of 51 MDP projects involving more than 260 activities had been successfully completed. This equals a measurable success rate of 70 percent and a transitional CM Rating of 1B and indicates the CNPA is capable of executing functions with coalition oversight only.²

² Source for paragraph: Ministerial Development Plan's concluding report on CNPA dated June 30, 2014.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

While the MDP provided the means to ensure the CNPA was ready for transition, the CNPA is still in the early stages of a longer-term institutional development path towards enhanced capability and operational performance in combating the illicit narcotics trafficking in Afghanistan. In response to requests from within the Afghan Government to ensure that from 2015 onwards, the sustainability, capability and performance of the CNPA organization will be measured by adherence to the Afghan National Drug Control Strategy and National Police Plan, the CNPA Deputy Minister and senior CNPA leadership have requested continued CDU assistance for future strategic programming and oversight. DoD and DoJ/ICITAP agreed to continue to provide this support and are creating a proposal to transition from the MDP to post-2014 support for the CNPA. The formal transition plan is being finalized by Office of the Secretary of Defense, USCENTCOM and DoJ/ICITAP.

STRATEGIC GOAL 2

Measure 1: Percentage of total trafficking cases/events in the Western Hemisphere transit zone, as estimated by DoD intelligence activities, targeted and successfully handed-off to disruption and interdiction assets by Joint Interagency Task Force South (T = FY 14 or FY 15 target).

JIATF-S Caseload Cueing³

JIATF-S data derived from a combination of JIATF-S HELIOS database and the Consolidated Counter Drug Database (CCDB).

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 T	FY 2014	FY 2015 T
Total Cases	2,449	2,102	2,621	2,324	N/A	2,477	N/A
Activated Cases *	1,127	877	1,512	452	N/A	1,540	N/A
Targeted Cases **	353	628	1,005	273	N/A	507	N/A
Detected Cases ***		60	191	128	N/A	261	N/A
Disrupted Cases		49	166	110	N/A	229	N/A
Percentage of Illicit Trafficking Cases/Events Successfully Handed-off to Interdiction Resources	NA	82%	87%	86%	89%	88%	90%

* Activated cases are those with confirmation or high confidence that "drugs are on the water"

** Targeted cases: illicit trafficking cases/events targeted by JIATF-S aviation and maritime resources

*** Detected cases: illicit trafficking cases/events detected by JIATF-S aviation and maritime resources

DoD contributes to the National Drug Control Strategy goal by providing DoD maritime and aerial detection and monitoring assets that enable disruption of illicit drugs flowing through the Western Hemisphere transit zone and into the United States. These assets contribute to U.S. government, allied, and partner nation interdiction efforts by reducing the quantity of illicit drugs entering the U.S. from Mexico and Central and South America. Defense CN activities facilitate the interdiction of highly mobile, asymmetric, non-communicative targets involved in illicit drugs and other transnational organized crime within the Western Hemisphere transit zone.

Through cued intelligence and other sources, JIATF-S detects, monitors, and hands-off to U.S. and international law enforcement agencies for the disruption and interdiction of targeted cases of illicit trafficking. Beginning in FY 10, JIATF-S employs a drug interdiction framework and corresponding indicators to assess its caseload, operational efficacy and targeting of detection and monitoring resources. In FY 14, from a total event log of 2,477 possible cases, the intelligence process cued JIATF-S to 1,540 tactically actionable cases. The remaining 937 cases

³ Source for table data: Email communication with JIATF South Commander's Action Group (CAG).

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

were not able to be targeted primarily due to the positioning or timely availability of U.S. or partner nation assets.

Of the 1,540 tactically actionable cases, intelligence assets provided high confidence information in 507 instances where illegal drugs were reported to be in transit (primarily noncommercial maritime and air) such that JIATF-S assets could target them to hand-off to U.S. and partner national disruption and interdiction assets. Of the 507 targeted cases handed-off, 261 were detected in the target zone by U.S. and partner nation interdiction assets. Of the 261 detected cases, 229 were successfully disrupted, achieving a successful hand-off to interdiction resources achievement rate of 88%. This overall hand-off rate of 88% falls short of the FY14 target of 89%, and although the ultimate case hand-off percentage is driven by many factors, in FY14 this can be best attributed to a lower than expected number of organic U.S. and partner nation interdiction assets available for tasking.

STRATEGIC GOAL 3

Measure 1: Total value in U.S. dollars interdicted through DoD counternarcotics funded National Guard Programs (Western Hemisphere). (T = FY15 target)

National Guard data is derived from its Full Time Support Management Control System (FTSMCS).

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014T	FY 2014	FY 2015T
*	*	\$359M	\$227.5M	*	\$275M	\$330M

*No data/Not Set

In FY14, DoD counternarcotics funded National Guard program Counter Threat Finance analysts supported U.S. law enforcement agencies in counternarcotics-related money laundering investigations by analyzing more than 90,000 financial documents and producing 1,181 analytical reports. These investigations helped identify 713 suspects and 730 money laundering methods, and resulted in the dismantling of 537 and disruption of 1,342 drug trafficking organizations.

NGB CTF program results are an illustrative example of the activities and outcomes undertaken by other CTA funded components with counter threat finance programs. Taken together, these DoD funded operations enable U.S. and partner nation entities to effectively mitigate TCO trafficking activities.

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)

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FY 2014 DoD Counternarcotics Performance Summary Report Page 15

DoD FY 2014 Counternarcotics Performance Summary Report (cont'd)





Whistleblower Protection

U.S. DEPARTMENT OF DEFENSE

The Whistleblower Protection Enhancement Act of 2012 requires the Inspector General to designate a Whistleblower Protection Ombudsman to educate agency employees about prohibitions on retaliation, and rights and remedies against retaliation for protected disclosures. The designated ombudsman is the DoD Hotline Director. For more information on your rights and remedies against retaliation, visit www.dodig.mil/programs/whistleblower.

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TAB D: Department of Education

U.S. Department of Education



Performance Summary Report Fiscal Year 2014

In Support of the
National Drug Control Strategy

February 11, 2015



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

February 11, 2015

Kathleen S. Tighe
Inspector General
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, DC 20202-1510

Dear Ms. Tighe:

As required by Office of National Drug Control Policy (ONDCP) Circular *Accounting of Drug Control Funding and Performance Summary*, enclosed please find detailed information about performance-related measures for key drug control programs administered by the U.S. Department of Education, in accordance with the guidelines in the circular dated January 18, 2013. This information covers the Safe and Drug-Free Schools and Communities program, which is the Drug Control Budget Decision Unit under which the 2014 budgetary resources for the Department of Education are displayed in the Fiscal Year 2015 *National Drug Control Budget and Performance Summary*.

Consistent with the instructions in the ONDCP Circular, please provide your authentication to me in writing and I will transmit it to ONDCP along with the enclosed Performance Summary Report. ONDCP requests these documents by February 18, 2015. Please do not hesitate to contact me if you have any questions about the enclosed information.

Sincerely,

A handwritten signature in black ink, appearing to read "David Esquith".

David Esquith
Director, Office of Safe and Healthy Students

FY 2014 Performance Summary Information

Safe and Supportive Schools

In FY 2010 the Department awarded the first round of awards under the Safe and Supportive Schools (S3) grant program. No subsequent cohorts of grants were awarded under the program. Awards were made to State educational agencies to support statewide measurement of, and targeted programmatic interventions to improve, conditions for learning in order to help schools improve safety and reduce substance use. Projects had to take a systematic approach to improving conditions for learning in eligible schools through improved measurement systems that assess conditions for learning, including school safety, and the implementation of programmatic interventions at the school level that address problems identified by data.

Measure 1: Percentage of eligible schools implementing programmatic interventions funded by Safe and Supportive Schools that experience a decrease in the percentage of students who report current (30-day) alcohol use.

Table 1

Cohort	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Target	FY2014 Actual	FY2015 Target
2010	n/a	n/a	58.0	73.9	77.6	TBD	n/a

The Measure. ED established several GPRA performance measures for assessing the effectiveness of Safe and Supportive Schools grants. Four measures were related to addressing the goals of the National Drug Control Strategy. This measure was one of the four selected for that purpose.

FY 2014 Performance Results. There are no FY 2014 performance data to report as most grantees are completing unfinished grant activities in a no-cost extension period, and will provide that information as part of their final reports which are due January 1, 2016.

NOTE: The data from two grants in the FY 2010 cohort were excluded from both the FY 2012 and FY 2013 actual percentages, as those data were deemed invalid and not comparable to the data from the other grants in the cohort. Grantees were advised in the Safe and Supportive Schools GPRA guidance to include only schools that had fully implemented programmatic interventions with fidelity. The data for the two grantees that were excluded included a significant number of schools that were at varying stages of program implementation and did not meet this criterion. The two grantees received additional technical assistance related to performance data collection.

FY 2015 Performance Targets. A performance target will not be set for FY 2015 as most grantees are completing unfinished grant activities in a no-cost extension period, with varying project period lengths and differing project scope and objectives.

Methodology. These measures constituted the Department's indicators of success for the Safe and Supportive Schools grant 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 its proposed program. Each grantee was required to provide, in its annual performance and final reports, data about its progress in meeting these measures.

To receive funds after the initial year of a multiyear 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 signed the annual performance report and, in doing so, certified 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 relied on the certification concerning data supplied by grantees and did not conduct further reviews.

The National Center on Safe Supportive Learning Environments, the technical assistance contractor for the S3 grant program, provided training on data collection. They reviewed data submitted, and worked with grantees to seek clarifying information and provide technical assistance if grantees were having difficulty in collecting or reporting data for this measure.

For measures related to 30-day alcohol use, States calculated the percentage of eligible schools implementing programmatic interventions that experienced either an increase or decrease in the percentage of students who reported each behavior or experience between year 1 and year 2, and this became the basis for the formulation of the baseline (FY 2012 actual) on which subsequent targets were set.

Measure 2: Percentage of eligible schools implementing programmatic interventions funded by Safe and Supportive Schools that experience an increase in the percentage of students who report current (30-day) alcohol use.

Table 2

Cohort	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Target	FY2014 Actual	FY2015 Target
2010	n/a	n/a	37.0	22.6	21.5	TBD	n/a

The Measure. ED established several GPRA performance measures for assessing the effectiveness of Safe and Supportive Schools grants. Four measures were related to addressing the goals of the National Drug Control Strategy. This measure was one of the four selected for that purpose.

FY 2014 Performance Results. There are no FY 2014 performance data to report as most grantees are completing unfinished grant activities in a no-cost extension period, and will provide that information as part of their final reports which are due January 1, 2016.

NOTE: The data from two grants in the FY 2010 cohort were excluded from both the FY 2012 and FY 2013 actual percentages, as those data were deemed invalid and not comparable to the data from the other grants in the cohort. Grantees were advised in the Safe and Supportive Schools GPRA guidance to include only schools that had fully implemented programmatic interventions with fidelity. The data for the two grantees that were excluded included a significant number of schools that were at varying stages of program implementation and did not meet this criterion. The two grantees received additional technical assistance related to performance data collection.

FY 2015 Performance Targets. A performance target will not be set for FY 2015 as most grantees are completing unfinished grant activities in a no-cost extension period, with varying project period lengths and differing project scope and objectives.

Methodology. These measures constituted the Department's indicators of success for the Safe and Supportive Schools grant 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 its proposed program. Each grantee was required to provide, in its annual performance and final reports, data about its progress in meeting these measures.

To receive funds after the initial year of a multiyear 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 signed the annual performance report and, in doing so, certified 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 relied on the certification concerning data supplied by grantees and did not conduct further reviews.

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For measures related to 30-day alcohol use, States calculated the percentage of eligible schools implementing programmatic interventions that experienced either an increase or decrease in the percentage of students who reported each behavior or experience between year 1 and year 2, and this became the basis for the formulation of the baseline (FY 2012 actual) on which subsequent targets were set.

Measure 3: Percentage of eligible schools implementing programmatic interventions funded by Safe and Supportive Schools that experience an improvement in their school safety score.

Table 3

Cohort	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Target	FY2014 Actual	FY2015 Target
2010	n/a	n/a	59.0	72.9	76.5	TBD	n/a

The Measure. ED established several GPRA performance measures for assessing the effectiveness of Safe and Supportive Schools grants. Four measures were related to addressing the goals of the National Drug Control Strategy. This measure was one of the four selected for that purpose.

NOTE: The school safety score is an index of school safety that may include the presence and use of illegal drugs (including alcohol and marijuana).

FY 2014 Performance Results. There are no FY 2014 performance data to report as most grantees are completing unfinished grant activities in a no-cost extension period, and will provide that information as part of their final reports which are due January 1, 2016.

NOTE: The data from two grants in the FY 2010 cohort were excluded from both the FY 2012 and FY 2013 actual percentages, as those data were deemed invalid and not comparable to the data from the other grants in the cohort. Grantees were advised in the Safe and Supportive Schools GPRA guidance to include only schools that had fully implemented programmatic interventions with fidelity. The data for the two grantees that were excluded included a significant number of schools that were at varying stages of program implementation and did not meet this criterion. The two grantees received additional technical assistance related to performance data collection.

FY 2015 Performance Targets. A performance target will not be set for FY 2015 as most grantees are completing unfinished grant activities in a no-cost extension period, with varying project period lengths and differing project scope and objectives.

Methodology. These measures constituted the Department's indicators of success for the Safe and Supportive Schools grant 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 its proposed program. Each grantee was required to provide, in its annual performance and final reports, data about its progress in meeting these measures.

To receive funds after the initial year of a multiyear 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 signed the annual performance report and, in doing so, certified 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 relied on the certification concerning data supplied by grantees and did not conduct further reviews.

The National Center on Safe Supportive Learning Environments, the technical assistance contractor for the S3 grant program, provided training on data collection. They reviewed data submitted, and worked with grantees to seek clarifying information and provide technical assistance if grantees were having difficulty in collecting or reporting data for this measure.

For measures related to school safety scores, the improvement or worsening of scores were calculated between the year 1 and Year 2, and this became the basis for the formulation of the baseline (FY 2012 actual) on which subsequent targets were set.

Measure 4: Percentage of eligible schools implementing programmatic interventions funded by Safe and Supportive Schools that experience a worsening in their school safety score.

Table 4

Cohort	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Target	FY2014 Actual	FY2015 Target
2010	n/a	n/a	30.0	20.8	19.8	TBD	n/a

The Measure. ED established several GPRA performance measures for assessing the effectiveness of Safe and Supportive Schools grants. Four measures were related to addressing the goals of the National Drug Control Strategy. This measure was one of the four selected for that purpose.

NOTE: The school safety score is an index of school safety that may include the presence and use of illegal drugs (including alcohol and marijuana).

FY 2014 Performance Results. There are no FY 2014 performance data to report as most grantees are completing unfinished grant activities in a no-cost extension period, and will provide that information as part of their final reports which are due January 1, 2016.

NOTE: The data from two grants in the FY 2010 cohort were excluded from both the FY 2012 and FY 2013 actual percentages, as those data were deemed invalid and not comparable to the data from the other grants in the cohort. Grantees were advised in the Safe and Supportive Schools GPRA guidance to include only schools that had fully implemented programmatic interventions with fidelity. The data for the two grantees that were excluded included a significant number of schools that were at varying stages of program implementation and did not meet this criterion. The two grantees received additional technical assistance related to performance data collection.

FY 2015 Performance Targets. A performance target will not be set for FY 2015 as most grantees are completing unfinished grant activities in a no-cost extension period, with varying project period lengths and differing project scope and objectives.

Methodology. These measures constituted the Department's indicators of success for the Safe and Supportive Schools grant 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 its proposed program. Each grantee was required to provide, in its annual performance and final reports, data about its progress in meeting these measures.

To receive funds after the initial year of a multiyear 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 signed the annual performance report and, in doing so, certified 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 relied on the certification concerning data supplied by grantees and did not conduct further reviews.

The National Center on Safe Supportive Learning Environments, the technical assistance contractor for the S3 grant program, provided training on data collection. They reviewed data submitted, and worked with grantees to seek clarifying information and provide technical assistance if grantees were having difficulty in collecting or reporting data for this measure.

For measures related to school safety scores, the improvement or worsening of scores were calculated between the year 1 and Year 2, and this became the basis for the formulation of the baseline (FY 2012 actual) on which subsequent targets were set.

School Climate Transformation Grant – Local Educational Agency Grants Program

In FY 2014 the Department awarded the first round of awards under the School Climate Transformation Grant – Local Educational Agency (LEA) Grants program. These FY 2014 grants awards provided more than \$35.8 million to 71 school districts in 23 states, Washington, D.C., and the U.S. Virgin Islands. The funds will be used to develop, enhance, or 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 also will use 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.

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. This local needs assessment will also be used by grantees to help identify and select the most appropriate evidence-based programs and practices. If the needs assessment indicates that drug abuse is an issue for students, drug abuse prevention should be addressed by a multi-tiered behavioral framework.

The Department has developed a variety of measures to assess the performance of the School Climate Transformation Grants, including (1) measures related to increasing the capacity of LEAs to implement a multi-tiered decision-making framework to improve behavioral and learning outcomes and (2) measures to demonstrate the progress of LEAs in achieving those outcomes as evidence 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: 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 5

Cohort	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Target	FY2014 Actual	FY2015 Target
2010	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Measure. ED established several GPRA performance measures for assessing the effectiveness of the School Climate Transformation Grant – Local Educational Agency Grants program. 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.

To better understand the nature of substance-related discipline rules and guidelines that may be in use around the country, the ED Institute of Education Sciences (IES) commissioned a study to examine the features of the written

substance-related policies for the 100 largest school districts.¹ The resulting report indicated that districts may refer students to counseling, classes, and community services to help students with substance use issues. In addition, in 2014, ED released a “School Discipline Guidance Package” which included a letter describing how schools can meet their obligations under federal law to administer student discipline without discriminating on the basis of race, color, or national origin.² It also included a guidance document which draws from emerging research and best practices to describe three key principles and related action steps that can help guide State- and locally-controlled efforts to improve school climate and school discipline.

FY 2014 Performance Results. There are no FY 2014 performance data to report as grantees were not required to report baseline data as part of their applications.

FY 2015 Performance Target. A performance target has not been set for FY 2015 because baseline data are not available against which to set a FY 2015 target. FY 2017 and later targets will be set in 2016 once baseline data are available for the FY 2014 grant cohort, based on FY 2015 and FY 2016 actual performance data.

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 its proposed program. Each grantee will be required to provide, in its annual performance and final reports, data about its progress in meeting these measures.

To receive funds after the initial year of a multiyear 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.

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 a sizeable majority of grantees already do so; and the Department will encourage the remaining grantees to do so. Accordingly, beginning in 2016 with the baseline data for this performance measure, the Department will also report 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

1 <http://ies.ed.gov/ncee/pubs/20124022/pdf/20124022.pdf>, accessed January 16, 2015

2 www2.ed.gov/policy/gen/guid/school-discipline/index.html, accessed January 16, 2015

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.

Authorized representatives for the grant site will 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 will rely 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) will provide training on data collection.

Measure 2: Number and percentage of schools annually that are implementing the multi-tiered behavioral framework with fidelity.

Table 6

Cohort	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Target	FY2014 Actual	FY2015 Target
2010	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Measure. ED established several GPRA performance measures for assessing the effectiveness of the School Climate Transformation Grant – Local Educational Agency Grants program. 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.

FY 2014 Performance Results. There are no FY 2014 performance data to report as grantees were not required to report baseline data as part of their applications.

FY 2015 Performance Target. A performance target has not been set for FY 2015 because baseline data are not available against which to set a FY 2015 target. FY 2016 and later targets will be set in 2016 once baseline data are available for the FY 2014 grant cohort.

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 its proposed program. Each grantee will be required to provide, in its annual performance and final reports, data about its progress in meeting these measures.

To receive funds after the initial year of a multiyear 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 will 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 will rely 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) will provide training 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 2014 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

The explanations provided in the Performance Summary report for Fiscal Year 2014 for not meeting performance targets and for recommendations for plans to revise performance targets are reasonable given past experience, available information, and available resources.

Methodology for Establishing Performance Targets

The methodology described in the Performance Summary Report for Fiscal Year 2014 to establish performance targets for the current year is reasonable given past performance and available resources.

Performance Measures for Significant Drug Control Activities

The Department of Education has established at least one acceptable performance measure for each Drug Control Decision Unit identified in its Detailed Accounting of Fiscal Year 2014 Drug Control Funds.

Criteria for Assertions

Data

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 Visual Performance System (VPS). Data from the VPS are used in developing annual budget requests and justifications, and in preparing reports required under the Government Performance and Results Act of 1993, as amended by the GPRA Modernization Act of 2010.

TAB E: Department of Health and Human Services

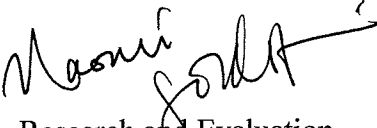


DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

MEMORANDUM TO: Michael Botticelli
Acting Director
Office of National Drug Control Policy

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

FROM: Naomi Goldstein 
Director
Office of Planning, Research and Evaluation

SUBJECT: Administration for Children and Families Performance Summary
Report for Fiscal Year 2014

In accordance with the Office of National Drug Control Policy Circular: Accounting of Drug Control Funding and Performance Summary issued January 18, 2013, the Administration for Children and Families (ACF) Fiscal Year 2014 Performance Summary Report is enclosed. Since ACF's obligations for drug-related activities fall below the reporting threshold of \$50 million, we attest that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden.

**Department of Health and Human Services
Administration for Children and Families
Performance Summary Report**

Within the Promoting Safe and Stable Families (PSSF) program, the Regional Partnership Grants are competitive grants for regional organizational partnerships to provide services and activities to children and families impacted by a parent's or caretaker's substance abuse. Since the grants account for a small portion of the overall PSSF funds, the Administration for Children and Families (ACF) considers those activities as part of the larger PSSF goals, which includes the following performance measure.

Measure	FY	Target	Result
7P1: Of all children who exit foster care in less than 24 months, maintain the percentage who exit to permanency (reunification, living with relative, guardianship or adoption). (PSSF, Guardianship Assistance) (Outcome)	2016	Prior Result +0.2PP	Oct-17
	2015	Prior Result +0.2PP	Oct-16
	2014	92.4% (Prior Result +0.2PP)	Oct-15
	2013	91.7%	92.2% (Target Exceeded)
	2012	91.7%	91.5% (Historical Actual)
	2011	N/A	91.7% (Historical Actual)
	2010	N/A	91.5% (Historical Actual)
	2009	Set baseline	91.3% (Baseline)

This performance measure is a proxy for performance in this area. Due to the relative small size of the Regional Partnership Grants (\$19M, less than 5 percent, out of \$395M total for PSSF), it is not possible to provide performance measures specific to that population without creating undue burden.

The calculation for the key PSSF performance measure noted above is as follows: the number of children who exited foster care to a permanent placement and who had been in care for 24 months or less (n=160,549 children in FY 2013) *divided by* the total number of children who exited foster care (for any reason) and who had been in care for 24 months or less (n=174,185 children in FY 2013).

Procedures used to ensure quality of performance data:

States report child welfare data to ACF through the Adoption and Foster Care Analysis and Reporting System (AFCARS). All state semi-annual AFCARS data submissions undergo edit-checks for validity. The results of the AFCARS edit-checks for each of the six-month data submissions are automatically generated and sent back to each state, to help the state to improve data quality. Many states submit revised data to ensure that accurate data are submitted, often

for more than one prior submission period. The Children's Bureau conducts several AFCARS compliance reviews each year, which typically result in a comprehensive AFCARS Improvement Plan (AIP). Reviewers are highly skilled, trained and experienced with the foster care program and related IT practices.

To speed improvement in these data, the agency provides technical assistance to states to improve reporting to AFCARS, improve statewide information systems, and to make better use of their data. All of these activities should continue to generate additional improvements in the data over the next few years.


AFCARS collects case-level information from state and tribal IV-E agencies on all children in foster care and those who have been adopted with title IV-E agency involvement. Title IV-E agencies are required to submitted AFCARS data twice a year. Examples of data reported in AFCARS include demographic information on the foster child as well as the foster and adoptive parents, the number of removal episodes a child has experienced, the number of placements in the current removal episode, and the current placement setting.



DEC 02 2014

MEMORANDUM TO: Director
Office of National Drug Control Policy

THROUGH: Norris Cochran
Deputy Assistant Secretary, Budget
Department of Health and Human Services

FROM: 
Patrick O'Rourke
Chief Financial Officer
Office of Financial Policy and Controls

SUBJECT: Health Resources and Services Administration Performance
Summary Report for Fiscal Year 2014

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issued January 18, 2013, the Health Resources and Services Administration's (HRSA) Fiscal Year 2014 Performance Summary is enclosed. Since HRSA's obligations for drug-related activities fall below the reporting threshold of \$50 million, we attest that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden.

FY2014 Performance Summary Report for National Drug Control Activities

Decision Unit: Bureau for Primary Health Care

Table 1: Measure 1

Performance Measures	CY 2013 Target	CY 2013 Result	CY 2014 Target	CY 2014 Results	CY 2015 Target	Data Source
Percentage of Health Center grantees providing substance abuse counseling and treatment services.	22%	20%	22%	Available Aug. 1, 2015	23%	Uniform Data System

The Health Center Program Uniform Data System (UDS) tracks a variety of information, including patient demographics, services provided, staffing, clinical indicators, utilization rates, costs, and revenues. UDS data are collected annually from grantees and reported at the grantee, state, and national levels. In the annual UDS report (Table 5 – Staffing and Utilization), each health center reports on the number of FTEs, patients and patient visits supported by their Health Center Program grant, separated into clinical service categories, including substance abuse services. A total of 1,202 health centers reported in the 2013 UDS. In a query of the 2013 UDS a total of 241 health centers reported FTEs, patients, and/or patient visits in the substance abuse category.

Procedures used to ensure quality of performance data – UDS

BPHC requires that grantees submit an 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 IT practices. Reviewers receive annual training.

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

1. **At grantee, prior to submission.** As the grantees enter data into the EHB they are informed prior to their submission of the data to BPHC, of any of roughly 600 – 700 errors which might be detected. This process generally results in *all* of the mathematical errors and *most* of the logical errors being corrected prior to submission.
2. **Upon receipt.** Once submitted, the data are subjected to a review to determine that all required information has been submitted. Missing tables and, especially, missing sub-

tables relating to individual programs, are identified and grantees are contacted to obtain the missing information. These submissions are held until complete.

3. **By reviewers.** Once the staff review has determined that the reports are complete, they are forwarded to a reviewer for actual review, and correction (as needed).



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



January 15, 2015

TO: Yvette Roubideaux, M.D., M.P.H.
Acting Director
Indian Health Service

Kenneth Cannon
Acting Chief Financial Officer
Indian Health Service

FROM: /Gloria L. Jarmon/
Deputy Inspector General for Audit Services

SUBJECT: Independent Attestation Review: Indian Health Service Fiscal Year 2014
Detailed Accounting Submission and Performance Summary Report for National
Drug Control Activities and Accompanying Required Assertions
(A-03-15-00351)

This report provides the results of our review of the attached Indian Health Service (IHS) detailed accounting submission, which includes the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2014. We also reviewed the Performance Summary Report, which includes management's assertions and related performance information for the fiscal year ended September 30, 2014. IHS management is responsible for, and prepared, the detailed accounting submission and Performance Summary Report to comply with the Office of National Drug Control Policy Circular *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 (the ONDCP Circular).

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

We conducted our attestation review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is to express an opinion on management's assertions contained in its report. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that IHS's detailed accounting submission and Performance Summary Report for fiscal year 2014 were not fairly stated, in all material respects, based on the ONDCP Circular.

IHS's detailed accounting submission and Performance Summary Report are included as Attachments A and B.

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and IHS and is not intended to be, and should not be, used by anyone other than these specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Kay L. Daly, Assistant Inspector General for Audit Services, at (202) 619-1157 or through email at Kay.Daly@oig.hhs.gov. Please refer to report number A-03-15-00351 in all correspondence.

Attachments



NOV 21 2014

Indian Health Service
Rockville MD 20852

MEMORANDUM TO: Director
Office of National Drug Control Policy

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

FROM: Kenneth Cannon
Acting Chief Financial Officer
Indian Health Service

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 for the Indian Health Service (IHS):

Obligations by Budget Decision Unit

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

Drug Methodology

I assert that the drug methodology used to calculate obligations of prior year budgetary resources by function for all bureaus was reasonable and accurate in accordance with the criteria listed in Section 6b(2) of the Circular. In accordance with these criteria, I have documented/identified data which support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respect, aggregate obligations from which drug-related obligation estimates are derived.

The IHS methodology for estimating the drug control budget was established using the amounts appropriated for the Alcohol and Substance Abuse Prevention programs authorized under P.L. 102-573, the Indian Health Amendments of 1992. See attached table "Alcoholism and Substance Abuse Treatment and Prevention Program authorized under P.L. 102-573" for list of programs. This table reflects estimated amounts. When originally authorized and appropriated, the funds were allocated to tribes in their self-determination contract by specific programs. However, when the programs were reauthorized and captured under public law 102-573, some IHS area offices allocated the funds in lump sum while others maintained the specific program breakout. Therefore, at the current time precise amounts of funding for each program are not available. The table is maintained to estimate current funding level and is the basis of the drug budget control methodology. Excluded is the amount for the Adult Treatment programs, which represents the original authorization for IHS to provide alcohol treatment services. The focus on alcoholism treatment is the reason for the exclusion.



Page 2 – Director, Office of National Drug Control Policy

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

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

Application of Drug Methodology

I assert that the drug methodology disclosed in this section was the actual methodology used to generate the table required by Section 6a of the Circular.

Reprogramming or Transfers

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

Funds Control Notices

IHS was not issued any Fund Control Notices by the Director under 21 U.S.C. 1703 (f) and Section 9 of the ONDCP circular Budget Execution, dated January 18, 2013.



Kenneth Cannon

Attachments: ¹

1. Table – Alcoholism and Substance Abuse Prevention Treatment Program Authorized Under P.L. 102-573
2. Table – FY 2014 Drug Control Obligations

¹ The first table attached to this report is necessary for understanding the IHS drug control budget methodology. The table titled “Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573” shows the Alcohol and Substance Abuse budget line item broken out by the activities authorized originally in P.L. 100-690 and later included under P.L. 102-573. This table also includes the funding within the Urban Indian Health budget line item that supports alcohol and substance abuse treatment services. However, funds are not appropriated or accounted for by these specific categories, but rather as the lump sum funds of Alcohol and Substance Abuse and Urban Health. The second table shows the obligations of these funds as required by the Office of National Drug Control Policy Circular *Accounting of Drug Control Funding and Performance Summary*.

<u>Amount of Funds</u>	<u>FY 2010 Enacted</u>	<u>FY 2011 Enacted</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Enacted</u>	<u>FY 2014 Enacted</u>	<u>Drug Control & Moyer Reports</u>
ALCOHOL & SUBSTANCE ABUSE						
Adult Treatment.....	\$102,748	\$102,781	\$102,731	\$97,926	\$98,633	Excluded*
Regional Treatment Centers	\$21,226	\$21,226	\$21,215	\$20,223	\$20,369	Treatment
Community Education & Training.....	\$9,544	\$9,544	\$9,540	\$9,094	\$9,159	Prevention
Community Rehabilitation/ Aftercare.....	\$31,003	\$31,003	\$30,988	\$29,539	\$29,752	Treatment
Gila River.....	\$237	\$237	\$237	\$226	\$228	Treatment
Contract Health Service.....	\$10,914	\$10,914	\$10,909	\$10,398	\$10,473	Treatment
Navajo Rehab. Program....	\$420	\$420	\$420	\$400	\$403	Treatment
Urban Clinical Services.....	\$895	\$895	\$894	\$852	\$859	Treatment
Wellness Beyond Abstinence.....	\$1,031	\$1,031	\$1,031	\$982	\$989	Prevention
Meth Prev & Treatment.....	\$16,391	\$16,358	\$16,332	\$15,513	\$15,513	50/50 Tx & Prev
Total.....	\$194,409 #	\$194,409	\$194,297	\$185,154	\$186,378	
URBAN HEALTH PROGRAM 1/						
<u>Amount of Funds</u>	<u>FY 2010 Approp</u>	<u>FY 2011 Enacted</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Enacted</u>	<u>FY 2014 Enacted</u>	
Expand Urban Programs....	\$4,239	\$4,403	\$4,403	\$4,403	\$4,492	Treatment
INDIAN HEALTH FACILITIES 2/						
<u>Amount of Funds</u>	<u>FY 2010 Approp</u>	<u>FY 2011 Enacted</u>	<u>FY 2012 Enacted</u>	<u>FY 2013 Enacted</u>	<u>FY 2014 Enacted</u>	
Construction.....	0	0	1,997	0	15,500	
Alcohol/Substance Abuse	\$194,409 #	\$194,409	\$194,297	\$185,154	\$186,378	
Urban Health Program	4,239	4,403 #	4,403	4,403	4,492	
Facilities Construction	0 #	0	1,997	0	15,500	
GRAND TOTAL.....	\$198,648 #	\$198,812	\$200,697	\$189,557	\$206,370	

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

2/ These funds are included in the Outpatient Sub-sub-activity.

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

**INDIAN HEALTH SERVICE
FY 2014 Drug Control Obligations**

	Enacted	Obligated
	(\$000)	
Drug Resources by Function		
Prevention	\$17,904	\$16,646
Treatment	\$74,332	\$72,090
Construction*	\$15,500	\$12,849
	<u>\$107,737</u>	<u>\$101,585</u>
 Drug Resources by Decision Unit		
Alcohol and Substance Abuse	\$87,745	\$84,244
Urban Indian Health Program	\$4,492	\$4,492
Facilities Construction *	\$15,500	\$12,849
	<u>\$107,737</u>	<u>\$101,585</u>

*Construction is included under ASA.



NOV 21 2014

Indian Health Service
Rockville, MD 20852

Memorandum to: Director
Office of National Drug Control Policy

Through: Norris Cochran
Deputy Assistant Secretary, Budget

From: Yvette Roubideaux, M.D., M.P.H.
Acting Director
Indian Health Service

Subject: Assertions Concerning FY 2014 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," I make the following assertions regarding the attached FY2014 Performance Summary Report for National Drug Control Activities:

Performance Reporting System

I assert that the Indian Health Service (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 target are reasonable and that any recommendations concerning plans and schedules for meeting future targets or for revision 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.

Yvette Roubideaux, M.D., M.P.H.

FY 2014 Performance Summary Report National Drug Control Activities –Indian Health Service

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

Measure 1: RTC Improvement/Accreditation: Accreditation Rate for Youth Regional Treatment Centers (YRTC) in operation 18 months or more

YRTC Accreditation Table 1: Measure 1						
FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY2014 Actual	FY 2015 Target
81%	91%	91%	90%	100%	90%	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) reflects an evaluation of the quality of care associated with accreditation status by either the Joint Commission, the Commission on Accreditation of Rehabilitation Facilities (CARF), or State licensure. This measure contributes to the *National Drug Control Strategy* to “integrate treatment for substance abuse disorders into health care and expand support for recovery.” This is accomplished in part by ensuring that 100 percent of Youth Regional Treatment Centers (YRTCs) achieve and maintain accreditation status. Accreditation status serves as evidence that the centers 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 available resources, the report should include recommendations concerning revising or eliminating the target.

The 100 percent accreditation performance measure was not met in FY 2014. The Agency did not meet its target due to one tribally-operated Youth Regional Treatment Center that did not achieve accreditation during FY 2014. Similarly, this same center has failed to gain accreditation in past fiscal years. However, the center made significant progress toward achieving accreditation in FY 2015 by completing the CARF application process and receiving a confirmatory site visit scheduled for November 17 & 18, 2014.

- (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 2015 performance target for the YRTCs will remain unchanged at 100 percent for accreditation status. The methodology utilized to establish the fiscal year targets is 100 percent of YRTCs achieving and maintaining accreditation as a reflection of the quality of care associated with accreditation status. The methodology utilized to determine the actual results at the end of the fiscal year is the number of accredited YRTCs as the numerator and the total number of YRTCs used as the denominator.

- (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.**

On an annual basis, the Indian Health Service (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 Agency 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 2: Domestic Violence (Intimate Partner) Screening: Proportion of women who are screened for domestic violence at health care facilities.

Domestic Violence Table 2: Measure 2						
FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY2014 Actual	FY 2015 Target
53.0%	55.3%	61.5%	62.4%	64.1%	63.5%	61.6%

- (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) reflects the number of women ages 15 to 40 who are screened for domestic violence in the Indian health system. Research suggests that alcohol and drug use can worsen and, in some cases, accelerate domestic violence situations. By identifying victims of domestic violence, the Agency also has the opportunity to identify substance abuse issues that may be occurring in the home. This measure contributes to the *National Drug Control Strategy* in an effort to “expand access to treatment for Americans struggling with addiction.” Agency management uses this performance measure as a tool to assist in protecting the safety of the victim and family, improve quality of life, and provide access to advocacy, justice, and social services.

- (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.

The FY 2014 target for domestic violence screening was not met. When compared to the FY 2013 results, the Agency increased performance by 1.1 percent in FY 2014. Despite the

increase in performance from FY 2013 to 2014, the Agency fell short of the 2014 target by 0.6 percent. Contributing factors to missing the target are a combination of staff turnover, recruitment of new staff unfamiliar with screening processes, and decreases in screening numbers among certain IHS Service Areas.

To meet the Agency's FY 2015 target, IHS is working on an Intimate Partner Violence policy which will establish national screening intervals, require regular training, and identify staff required to conduct domestic violence screenings. Additionally, IHS developed new standardized training through its Forensic Healthcare learning management system. The training is available at no-cost with continuing education credits/units available through an online system.

(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 performance target for FY 2015 is 61.6 percent screening rate.

Target calculations for GPRA Clinical Measures: The annual budget and individual budget lines are the basis for performance measure target calculations. For the clinical GPRA measures, an approved HHS mathematical formula is used. These targets are reviewed internally by the clinical programs as well as the Director of OCPS. For non-clinical GPRA measures associated with budget lines, each national program lead determines what a reasonable target increase/decrease should be depending upon past performance, the budget amount, and current conditions to achieve the target.

Once targets have been reviewed by the clinical or non-clinical programs, the targets are submitted by OFA to HHS who forwards them to OMB for discussion. Targets changed by HHS and/or OMB are returned to the programs for approval/disapproval. Anomalies are elevated to senior staff for discussion.

Methodology for calculating GPRA clinical targets for the following IHS budget lines - Hospital & Health Clinics (H&HC), Dental Services, Mental Health, and Alcohol & Substance Abuse: For purposes of explanation, assume that the budget is increased from one year to the next. Using the H&HC budget line as an example, the relative increase of this year's budget amount is calculated. This same formula is used for the dental and behavioral health measures. The formula is $1 - (\text{President's Budget} + \text{Current Services}) / (\text{President's Budget} + \text{Current Services} + \text{Program Expansion funds that support direct care})$. Program expansion funds that support infrastructure such as ICD-10 development or purchases of dental electronic health records are subtracted from the total amount for H&HC program expansion and not included in the formula.

The relative increase is then multiplied by the previous year's final result (or target) to establish the actual increase for the measure. The actual increase is added to the previous year's result or target to establish this year's target.

- (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.**

Clinical Reporting System (CRS) Documentation:

Data Collection

The IHS relies on the Resource and Patient Management System (RPMS) to track and manage data at facilities and clinical sites. The RPMS CRS software automates the data extraction process using data from patient records in the IHS health information system (RPMS) at the individual clinic level. The CRS is updated annually to reflect changes in clinical guidelines for existing and new measures to reflect new healthcare priorities. Software versions are tested first on developmental servers on large data bases and then are beta tested at facilities, before submission to IHS Software Quality Assurance, which conducts a thorough review prior to national release. The new version of the application is released as Class 1 software throughout the IHS. In 2005, the Healthcare Information and Management System Society selected the CRS for the Davies Award of Excellence in public health information technology.

Completeness

After local sites submit their data, IHS Area coordinators use CRS to create Area level reports, which are forwarded to the national data support team for a second review and final aggregation. CRS software automatically creates a special file format of Area data for use in nation aggregation, which eliminates potential errors that could occur if manual data extraction were required. These national aggregations are thoroughly reviewed for quality and accuracy before final submission. Specific instructions for running quarterly reports are available for both local facilities and each IHS Area.

CRS generated data reports are comprehensive representations of patient data and clinical performance for those facilities that participate and include data from 100 percent of all IHS direct facilities. At this time however, not all Tribes have elected to participate in the RPMS. Tribes have the option to voluntary participate, thus, results include data from those Tribal clinics and hospitals that utilize RPMS.

Reliability

Electronic collection, using CRS, ensures that performance data is comparable across all facilities and is based on a review of 100 percent of all patient records rather than a sample. Facility reports are submitted on a quarterly and annual basis to the Government Performance and Results Act (GPRA) coordinator for their Area, who is responsible for quality reviews of the data before forwarding reports for national aggregation. Because the measure logic and reporting criteria are hard coded in the CRS software, these checks are primarily limited to assuring all communities assigned to a site are included in the report and to identifying measure results that are anomalous, which may indicate data entry or technical issues at the local level. Comprehensive information about CRS software and logic is at www.ihs.gov/cio/crs/.

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

Measure 3: Behavioral Health: Proportion of adults ages 18 and over who are screened for depression

Depression Screening Table 3: Measure 3						
FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY2014 Actual	FY 2015 Target
52.0%	56.5%	61.9%	65.1%	66.9%	66%	64.3%

- (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) reflects the number of patients over 18 years of age who are screened for depression. Depression is often an underlying component contributing to suicide, accidents, domestic violence, and alcohol and substance abuse. For patients, who have co-occurring substance use disorders and mood disorders, such as depression, this measure is used by the Agency to identify individuals who require intervention, treatment, and referral to appropriate services. The measure contributes to the *National Drug Control Strategy* to “prevent drug use before it ever begins through education,” “expand access to treatment for Americans struggling with addiction,” and “support Americans in recovery by lifting the stigma associated with suffering or in recovery from substance use disorders.”

- (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.

The FY 2014 target for depression screening was not met. When compared to the FY 2013 results, the Agency increased performance by 0.9 percent in FY 2014. Despite the increase in performance from FY 2013 to 2014, the Agency fell short of the 2014 target by 0.9 percent which demonstrates the efforts throughout the Indian health system to meet the challenging target. The depression screening measure is a Government Performance

Reporting Act Modernization Act (GPRAMA) measure whose denominator includes patients ages 18 years and older. During 2012 – 2013 and 2013 – 2014, the denominator increased by 1.5 percent each year for a cumulative total of 16,490 new patients during 2012 – 2014. Other contributing factors to missing the target are a combination of staff turnover, recruitment of new staff unfamiliar with screening processes, and decreases in screening numbers among certain IHS Service Areas.

In an effort to provide the necessary skills and tools for depression screening, the Agency provides training, at no-cost, to its healthcare providers. To meet the FY 2015 target for depression screening, IHS established standardized training plans for depression screening through the Tele-Behavioral Health Center of Excellence.

- (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 performance target for FY 2015 is 64.3 percent.

Target calculations for GPRA Clinical Measures: The annual budget and individual budget lines are the basis for performance measure target calculations. For the clinical GPRA measures, an approved HHS mathematical formula is used. These targets are reviewed internally by the clinical programs as well as the Director of OCPS. For non-clinical GPRA measures associated with budget lines, each national program lead determines what a reasonable target increase/decrease should be depending upon past performance, the budget amount, and current conditions to achieve the target.

Once targets have been reviewed by the clinical or non-clinical programs, the targets are submitted by OFA to HHS who forwards them to OMB for discussion. Targets changed by HHS and/or OMB are returned to the programs for approval/disapproval. Anomalies are elevated to senior staff for discussion.

Methodology for calculating GPRA clinical targets for the following IHS budget lines H&HC, Dental Services, Mental Health, and Alcohol & Substance Abuse: For purposes of explanation, assume that the budget is increased from one year to the next. Using the H&HC budget line as an example, (1) the relative increase of this year's budget amount is calculated. This same formula is used for the dental and behavioral health measures. The formula is $1 - (\text{President's Budget} + \text{Current Services}) / (\text{President's Budget} + \text{Current Services} + \text{Program Expansion funds that support direct care})$. Program expansion funds that support infrastructure such as ICD-10 development or purchases of dental electronic health records are subtracted from the total amount for H&HC program expansion and not included in the formula.

The relative increase is then multiplied by the previous year's final result (or target) to establish the actual increase for the measure. The actual increase is added to the previous year's result or target to establish this year's target.

- (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.**

CRS Documentation

Data Collection

The IHS relies on the RPMS to track and manage data at facilities and clinical sites. The RPMS CRS software automates the data extraction process using data from patient records in the IHS RPMS at the individual clinic level. CRS is updated annually to reflect changes in clinical guidelines for existing measures as well as adding new measures to reflect new healthcare priorities. Software versions are tested first on developmental servers on large data bases and then are beta tested at facilities, before submission to IHS Software Quality Assurance, which conducts a thorough review prior to national release. The new version of the application is released as Class 1 software throughout the IHS. In 2005, the Healthcare Information and Management Systems Society selected the CRS for the Davies Award of Excellence in public health information technology.

Completeness

After local sites submit their data, IHS Area coordinators use CRS to create Area level reports, which are forwarded to the national data support team for a second review and final aggregation. CRS software automatically creates a special file format of Area data for use in national aggregation, which eliminates potential errors that could occur if manual data extraction were required. These national aggregations are thoroughly reviewed for quality and accuracy before final submission. Specific instructions for running quarterly reports are available for both local facilities and each IHS Area.

CRS generated data reports are comprehensive representations of patient data and clinical performance for those facilities that participate and include data from 100 percent of all IHS direct facilities. At this time however, not all Tribes have elected to participate in the RPMS. Because Tribal participation is voluntary, results include data for only those Tribal clinics and hospitals that utilize RPMS.

Reliability

Electronic collection, using CRS, ensures that performance data is comparable across all facilities and is based on a review of 100 percent of all patient records rather than a sample. Facility reports are submitted on a quarterly and annual basis to the GPRA coordinator for their Area, who is responsible for quality reviews of the data before forwarding reports for national aggregation. Because the measure logic and reporting criteria are hard coded in the CRS software, these checks are primarily limited to assuring all communities assigned to a site are included in the report and to identifying measure results that are anomalous, which may indicate data entry or technical issues at the local level. Comprehensive information about CRS software and logic is at www.ihs.gov/cio/crs/.

Decision Unit 4: Office of Clinical and Preventive Services, Division of Behavioral Health, IHS

Measure 4: Alcohol Screening (FAS Prevention): Alcohol-use screening (to prevent fetal alcohol syndrome) among appropriate female patients

Alcohol Screening Table 4: Measure 4						
FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
55.0%	57.8%	63.8%	65.7%	65.9%	66.0%	66.7%

- (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. (4) reflects the percentage of women of child-bearing age who are screened for alcohol use. The Agency uses this measure to reduce alcohol misuse in pregnancy and to reduce the incidence of Fetal Alcohol Syndrome (FAS). FAS is the leading known and preventable cause of intellectual disability. Rates of FAS are higher among AI/AN populations compared to the general population in the United States. Continued increases in screening rates for this measure will have a far-reaching positive impact on overall health in AI/AN communities. Increases beginning in the FY 2007 rates of alcohol screening can be attributed to specific Agency initiatives emphasizing the importance of screening at either clinical or behavioral health encounters. This measure contributes to the *National Drug Control Strategy* to “prevent drug use before it begins through education” and “expand access to treatment for Americans struggling with addiction.”

- (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.

The FY 2014 performance target for this measure was exceeded. Since FY 2004, the IHS has increased the screening rate nine-fold, from 7 percent in 2004 to 66.0 percent in 2014,

through promoting and incorporating alcohol screening as a routine part of women's health care.

- (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 goal for FY 2015 is to increase the screening rate to 66.7 percent. The original target calculation during the preparation of the FY 2015 Congressional Justification was 64.8 percent. The Budget and Performance Coordination Branch (BPCB)/Division of Budget Policy, Execution & Review (BPER)/Office of Budget (OB)/Office of the Assistant Secretary for Financial Resources (ASFR) requested that IHS voluntarily increase targets for ten to fifteen performance measures beyond the mathematically calculated value. The Alcohol Screening (FAS Prevention) was one of the targets increased. The FY 2015 target was increased 1.9 percent from 64.8 percent to 66.7 percent.

Target calculations for GPRA Clinical Measures: The annual budget and individual budget lines are the basis for performance measure target calculations. For the clinical GPRA measures, an approved HHS mathematical formula is used. These targets are reviewed internally by the clinical programs as well as the Director of OCPS. For non-clinical GPRA measures associated with budget lines, each national program lead determines what a reasonable target increase/decrease should be depending upon past performance, the budget amount, and current conditions to achieve the target.

Once targets have been reviewed by the clinical or non-clinical programs, the targets are submitted by OFA to HHS who forwards them to OMB for discussion. Targets changed by HHS and/or OMB are returned to the programs for approval/disapproval. Anomalies are elevated to senior staff for discussion.

Methodology for calculating GPRA clinical targets for the following IHS budget lines: H&HC, Dental Services, Mental Health, and Alcohol & Substance Abuse: For purposes of explanation, assume that the budget is increased from one year to the next. Using the H&HC budget line as an example, (1) the relative increase of this year's budget amount is calculated. This same formula is used for the dental and behavioral health measures. The formula is $1 - (\text{President's Budget} + \text{Current Services}) / (\text{President's Budget} + \text{Current Services} + \text{Program Expansion funds that support direct care})$. Program expansion funds that support infrastructure such as ICD-10 development or purchases of dental electronic health records are subtracted from the total amount for H&HC program expansion and not included in the formula.

The relative increase is then multiplied by the previous year's final result (or target) to establish the actual increase for the measure. The actual increase is added to the previous year's result or target to establish this year's target.

- (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.**

CRS Documentation

Data Collection

The IHS relies on the RPMS to track and manage data at facilities and clinical sites. The RPMS CRS software automates the data extraction process using data from patient records in the IHS RPMS at the individual clinic level. CRS is updated annually to reflect changes in clinical guidelines for existing measures as well as adding new measures to reflect new healthcare priorities. Software versions are tested first on developmental servers on large data bases and then are beta tested at facilities, before submission to IHS Software Quality Assurance, which conducts a thorough review prior to national release. The new version of the application is released as Class 1 software throughout the IHS. In 2005, the Healthcare Information and Management Systems Society selected the CRS for the Davies Award of Excellence in public health information technology.

Completeness

After local sites submit their data, IHS Area coordinators use CRS to create Area level reports, which are forwarded to the national data support team for a second review and final aggregation. CRS software automatically creates a special file format of Area data for use in national aggregation, which eliminates potential errors that could occur if manual data extraction were required. These national aggregations are thoroughly reviewed for quality and accuracy before final submission. Specific instructions for running quarterly reports are available for both local facilities and each IHS Area.

CRS generated data reports are comprehensive representations of patient data and clinical performance for those facilities that participate and include data from 100 percent of all IHS direct facilities. At this time however, not all Tribes have elected to participate in the RPMS. Because Tribal participation is voluntary, results include data for only those Tribal clinics and hospitals that utilize RPMS.

Reliability

Electronic collection, using CRS, ensures that performance data is comparable across all facilities and is based on a review of 100 percent of all patient records rather than a sample. Facility reports are submitted on a quarterly and annual basis to the GPRA coordinator for their Area, who is responsible for quality reviews of the data before forwarding reports for national aggregation. Because the measure logic and reporting criteria are hard coded in the CRS software, these checks are primarily limited to assuring all communities assigned to a site are included in the report and to identifying measure results that are anomalous, which may indicate data entry or technical issues at the local level. Comprehensive information about CRS software and logic is at www.ihs.gov/cio/crs/.

Decision Unit 5: Office of Clinical and Preventive Services, Division of Behavioral Health, IHS

Measure 5: *Suicide Surveillance: Increase the incidence of suicidal behavior reporting by health care (or mental health) professionals*

Suicide Report Form Table 5: Measure 5						
FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
1,908	1,930	1,461	1,438	1,668	1,766	1,419

- (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. (5) reflects the number of Suicide Reporting Forms (SRF) collected throughout the Indian health system. The SRF captures data related to specific incidents of suicide, such as date and location of act, method, contributing factors, and other useful epidemiologic information in a standardized and systematic fashion. The Agency uses this measure as a management tool to gather information about the incidence of suicidal ideations, attempts, and completions to influence policy and program decisions. Unfortunately, suicide is often the result of underlying issues such as depression, domestic violence, and alcohol and substance abuse. Early identification of depression, interpersonal difficulties, and suicidal ideation contributes to the *National Drug Control Strategy* to “prevent drug use before it ever begins through education” and “expand access to treatment for Americans struggling with addiction.”

- (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.

The performance target was exceeded in FY 2014. The FY 2014 target was 1,668 forms; the FY 2014 actual results were 1,766 forms. This increased performance represents an increase of 328 forms from FY 2013.

The significant decrease in SRFs from FY 2011 to FY 2012 was a result of a data quality review in FY 2012. It was noted that data exports received at the National Data Warehouse (NDW) from the IHS Areas were comprised of duplicate records. As a result, the issue was resolved and FY 2013/2014 data represent a more accurate estimate of provider reporting of suicide and suicide-related events due to improved data quality processes and serve as the benchmark going forward.

To continue to increase the utilization of the SRF, the IHS will increase awareness of the form and the importance of suicide surveillance activities among providers, facility and Area managers, and administrators. Similarly, RPMS Site Managers and Electronic Health Record Clinical Application Coordinators will be made aware of the SRF and the appropriate application set-up and exporting processes.

- (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 2015 target is 1,419 SRFs. The targets are determined by an analysis of the previous utilization rates by 11 of the 12 IHS Areas. This reflects the FY 2012 decision of Tribes within an entire IHS service area to decline the reporting of suicide surveillance data for their respective Area.

- (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 suicide surveillance measure logic utilizes SRF data entered into RPMS by providers at the point of care. Once entered into the database, the SRF information is then electronically exported from the documenting site to the national suicide database in Albuquerque, New Mexico. Processes are in place to accurately document receipt of the electronic file(s), notify the sending site that the file(s) have been received by providing electronic file name(s) and record counts. Once received, the national suicide database is automatically updated with the new information. Sites must initiate the electronic export process for data to be included in the performance measurement report. The source system is the RPMS SRF data entered at the point of care and the national suicide database maintained by IHS. The SRF was designed by clinical, epidemiology, and informatics subject matter experts.



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



January 15, 2015

TO: James M. Anderson, M.D., Ph.D.
Director
Division of Program Coordination, Planning, and Strategic Initiatives
National Institutes of Health

Donna Jones
Chief Financial Officer
National Institute on Drug Abuse
National Institutes of Health

Judit O'Connor
Chief Financial Officer
National Institute on Alcohol Abuse and Alcoholism
National Institutes of Health

FROM: /Gloria L. Jarmon/
Deputy Inspector General for Audit Services

SUBJECT: Independent Attestation Review: National Institutes of Health Fiscal Year 2014 Detailed Accounting Submissions and Performance Summary Report for National Drug Control Activities and Accompanying Required Assertions (A-03-15-00352)

This report provides the results of our review of the attached National Institutes of Health (NIH) submissions as follows:

- detailed accounting submissions, which include the tables of Fiscal Year 2014 Actual Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2014, submitted by NIH's National Institute on Drug Abuse (NIDA) and National Institute on Alcohol Abuse and Alcoholism (NIAAA), respectively, and
- Performance Summary Report for National Drug Control Activities and management's assertions for the fiscal year ended September 30, 2014, submitted by NIH for NIDA and NIAAA, collectively.

NIH management is responsible for, and prepared, the detailed accounting submissions and Performance Summary Report to comply with the Office of National Drug Control Policy

Circular *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 (the ONDCP Circular).

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

We conducted our attestation review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is to express an opinion on management's assertions contained in its report. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that NIH's detailed accounting submissions and Performance Summary Report for fiscal year 2014 were not fairly stated, in all material respects, based on the ONDCP Circular.

NIDA's and NIAAA's detailed accounting submissions and NIH's combined Performance Summary Report are included as Attachments A, B, and C, respectively.

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and NIH and is not intended to be, and should not be, used by anyone other than these specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Kay L. Daly, Assistant Inspector General for Audit Services, at (202) 619-1157 or through email at Kay.Daly@oig.hhs.gov. Please refer to report number A-03-15-00352 in all correspondence.

Attachments



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: Donna Jones *Donna M Jones*
Chief Financial Officer *10/30/14*
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 NIDA's 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 2014 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 more than 85% of the world's research on drug abuse and addiction, the

National Institute on Drug Abuse (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.

The FY 2014 total of NIDA's budget from the FY 2015 Congressional Justification was \$1,015,754,000. There was a comparable transfer in the amount of \$1,411,000. There was an Secretary's Transfer in the amount of \$2,574,000. Finally, NIH returned \$3,370,161 to NIDA for the National Children's Study which brought NIDA's appropriation to \$1,017,961,161. NIDA obligated \$1,017,956,722 and \$4,439 lapsed.

Application of 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 2014 are for the same reasons described above for the FY 2014 column of the FY 2015 CJ.

Reprogrammings or Transfers

I assert that 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. As described above, NIDA had the following adjustments to its appropriation for FY 2014: (1) Secretary's Transfer of \$2,574,000 (2) Return of National Children's Study funds of \$3,370,161.

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 section 9 of the ONDCP Circular *Budget Execution*, dated January 18, 2013.

**NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE ON DRUG ABUSE
FY 2014 Actual Obligations
(Dollars in Thousands)**

I. RESOURCE SUMMARY

	FY 2014 Actual
Drug Resources by Decision Unit:	
National Institute on Drug Abuse	1,017,957
Total	1,017,957
Drug Resources by Function:	
Research and Development Prevention	337,438
Research and Development Treatment	680,519
Total	1,017,957

**Differences Between (1) Actual Obligations and (2) the FY 14 Column of the
FY 15 CJ and the National Drug Control Strategy Budget Summary
(Dollars in Thousands)**

Total 2014 Col. of the FY 2015 CJ; National Drug Control Strategy	1,015,754
Comparable Transfers	1,411
NCS Transfer	3,370
Secretary Transfer	-2,574
Lapse of Funds	<u>-4</u>
Total Obligations	1,017,957

Exhibit A

- (1) **Drug Methodology** – Actual obligations of prior year drug control budgetary resources are derived from the NIDA Extramural Project System (NEPS) and the NIH nVision Balance of Accounts Report.
 - (a) **Obligations by Budget Decision Unit** – NIDA’s budget decision units have been defined by ONDCP Circular, Budget Formulation, dated January 18th, 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. NIDA had the following adjustments to its appropriation for FY 2014: (1) Secretary’s Transfer of \$2,574,000 (2) Return of National Children’s Study funds of \$3,370,161.
- (5) **Other Disclosures** - none



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service
National Institutes of Health

National Institute on Alcohol
Abuse and Alcoholism 5635
Fishers Lane
Bethesda, MD 20892-9304

December 4, 2014

MEMORANDUM TO: Director Office of National Drug Control Policy

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

FROM: Laura L. Lee
Acting Chief Financial Officer
National Institute on Alcohol Abuse and Alcoholism

Laura L. Lee - S
201412041115341-0000

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 use, abuse and dependence in minors (children under the legal drinking age of 21). It includes all alcohol related research in minors, 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 2014 ACTUAL OBLIGATIONS
(Dollars in Thousands)**

	FY 2014 Actual
Drug Resources by Decision Unit:	
National Institute on Alcohol Abuse and Alcoholism	\$59,350
Total Drug Resources by Decision Unit	\$59,350
Drug Resources by Function:	
Research and Development: Prevention	\$54,182
Research and Development: Treatment	\$5,168
Total Drug Resources by Function	\$59,530

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 18th, 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



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health
Bethesda, Maryland 20892

DATE: November 21, 2014

MEMORANDUM TO: Director
Office of National Drug Control Policy

THROUGH: Norris Cochran
Deputy Assistant Secretary, Budget, DHHS

FROM: Director, Division of Program Coordination,
Planning, and Strategic Initiatives, NIH

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," I make the following assertions regarding the attached Performance Summary Report for National Drug Control Activities:

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

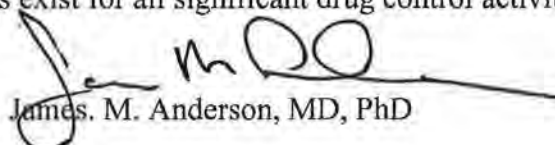
I assert that the explanations offered in the attached report for failing to meet a performance target are reasonable and that any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets are reasonable.

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, MD, PhD

FY 2014 Performance Summary Report for National Drug Control Activities

Decision Unit 1: NIDA

Prevention

Measure SRO-5.15 (started in FY 2014): By 2018, develop, refine and evaluate evidence-based intervention strategies and promote their use to prevent substance use, abuse, addiction and their consequences in underage populations. (Note: This measure replaces the previous measure which ended in FY 2013. See Appendix on page 23 for details.)

Table 1: NIDA Annual Targets

FY 2014 Target*	FY 2014 Actual	FY 2015 Target*
Develop and assess at least two interventions to prevent drug use, drug use problems, and risk behaviors.	NIH funded research tested multiple interventions to prevent drug use, drug use problems, and drug related risky behaviors including HIV risk behaviors.	Assess the effectiveness of at least two strategies for dissemination and implementation of tested, efficacious interventions to prevent youth and young adult drug use, drug use problems, and risk behaviors.

(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 abuse and addiction (including tobacco, alcohol, illicit, and nonmedical prescription drug use) is leading to 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 needed to advance our goal of developing effective tailored prevention strategies for youth.

NIH’s prevention portfolio encompasses a broad range of research to increase our understanding of factors that enhance or mitigate an underlying propensity to initiate drug use or to escalate from use to substance abuse across different developmental stages. Information about these contributors to substance abuse and addiction and the different ways biological psychosocial and environmental factors operate across individuals is critical to designing more effective prevention messages. **Measure SRO-5.15 focuses on developing, refining, evaluating, and disseminating evidence-based intervention strategies to prevent substance use, abuse,**

addiction and their consequences in underage populations and contributes to the *National Drug Control Strategy Goal of Strengthening Efforts to Prevent Drug Use in Our Communities (Chapter 1)*.

The efficacy and cost effectiveness of primary prevention programs—designed to prevent substance use before it starts, or prevent escalation to abuse or addiction—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 abuse, may be identified early using genetic markers.

A number of genetic markers have been identified that influence risk for addiction. This information can be harnessed for improving prevention by personalizing interventions for optimal benefit. Recent research has shown that genetic risk factors can influence the effectiveness of school based prevention interventions. In addition, individual differences seen in response to medications for nicotine and alcohol addiction suggest that genetic predictors of treatment response could lead to more efficacious and cost-effective relapse prevention strategies. Such identification would enable substance abuse prevention programs to target programs more precisely based on individual or group vulnerability markers, 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 abuse from starting or escalating.

The information gained from research on the factors that influence risk and resilience to substance use disorders will lay the foundation for improved and tailored prevention efforts in the future. As personalized risk factors for substance use and addiction vulnerability (or protection) are identified, NIH will encourage researchers to use that information to better understand how biological factors, combined with environmental ones, contribute to abuse 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 abuse in high sensation-seeking youth.

(2) Provide narrative that examines the FY 2014 actual performance results with the FY 2014 target, as well as prior year actuals. If the performance target was not achieved for FY 2014, 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 performance target for SRO-5.15 was met for FY2014. Prevention of the initiation of drug use and prevention of the escalation to addiction in those who have already initiated use continues to be one of NIDA's primary strategic goals (see [NIDA's Strategic Plan](#)). NIDA continues to fund a robust theory-based prevention portfolio that builds upon solid

epidemiological findings and insights from genetics and neuroscience and applies this knowledge to development of effective strategies to prevent initiation of drug use and escalation of use to addiction in underage youth.

From FY 2014 to the present (FY 2015), multiple studies have been funded to develop and test interventions to prevent drug use, drug use problems, and risk behaviors. NIDA is currently supporting studies to test culturally and developmentally appropriate strategies to prevent substance use and abuse across the lifespan: for all developmental stages, from birth through adulthood and older age; for diverse racial/ethnic populations, targeted to diverse settings such as family, school, community, and health care settings; and for diverse special populations and/or high risk populations, such LGBT, homeless, child welfare involved, juvenile justice system involved, criminal justice involved, individuals comorbid conditions, populations at risk for HIV/AIDS.

In FY 2014 multiple publications were released related to this target by NIDA-funded researchers who conducted studies that tested interventions to prevent drug use, drug use problems, and risk behaviors. One recent study explored the effect of a Multidimensional Treatment Foster Care (MTFC) in at-risk female youth who had been referred for out-of-home placement due to chronic delinquency.¹ Previous studies have shown that juvenile justice girls have high rates of co-occurring risk behaviors including substance abuse. The current research showed that women with prior juvenile justice involvement who were assigned to the MTFC intervention during adolescence showed greater decreases in drug use than girls assigned to treatment as usual. In addition, women who participated in MTFC were found to be more resilient to partner drug use than women in the treatment as usual condition.

Another recent publication demonstrated that girls who participated in the Middle School Success (MSS) Intervention, a program to promote healthy adjustment in foster girls, showed lower levels of health risk-taking behaviors.² The analysis demonstrated that the effect of the intervention on health-risking sexual behavior was mediated through its effect on tobacco and marijuana use. These findings demonstrate that the MSS prevention intervention delivered during adolescence improves young adult drug use trajectories (7-9 years after the study began). These findings add to a growing body of evidence of the longer term impacts of early prevention interventions delivered during adolescence to a high risk population.

Another ongoing study is looking at the feasibility and effectiveness of using web-based tools for screening college students for marijuana use and providing brief interventions.³ Students who use marijuana have an increased likelihood of poor academic performance, as well as physical health and relationships problems. Despite the availability of efficacious interventions, few students identify their marijuana use as problematic or seek treatment to reduce their use. Recent

¹ Rhoades KA et al. Drug Use Trajectories After a Randomized Controlled Trial of MTFC: Associations with Partner Drug Use. *J Res Adolesc.* 2014 Mar 1;24(1):40-54. PubMed PMID: 24729667

² Kim HK, et al. Intervention Effects on Health-Risking Sexual Behavior Among Girls in Foster Care: The Role of Placement Disruption and Tobacco and Marijuana Use. *J Child Adolesc Subst Abuse.* 2013 Nov 1;22(5):370-387. PubMed PMID: 24043921

³ Palfai TP, et al. Web-based screening and brief intervention for student marijuana use in a university health center: pilot study to examine the implementation of eCHECKUP TO GO in different contexts. *Addict Behav.* 2014 Sep;39(9):1346-52.

developments in health technology have expanded the range of tools available to engage students in screening and to deliver interventions. A pilot study was conducted to explore the efficacy of a web-based screening and brief intervention tool that delivers personalized feedback to students presenting to a university health center about their marijuana use in an easily utilized and confidential manner. The researchers found that while the intervention did not reduce frequency of marijuana use the intervention significantly altered perceived norms regarding marijuana use. The findings demonstrated that it is feasible to screen and identify marijuana users in a college student health center and deliver a web-based intervention and suggest that these types of technology based intervention can be useful for correcting misperceptions of norms and reducing related consequences.

Collectively these findings further support key prevention lessons and principles that have emerged from NIDA funded studies: prevention interventions implemented in early childhood have effects in later developmental stages and into young adulthood; universal interventions can have strong effects in higher risk youth; universal substance use prevention interventions can have effects on other behavioral outcomes, beyond those specifically targeted by the intervention (e.g. , social services utilization).

(3) The agency should describe the performance target for FY 2015 and how the agency plans to meet this target. If the target in FY 2014 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2015.

In FY 2014, NIDA began reporting on a new measure SRO-5.15 – By 2018, develop, refine and evaluate evidence-based intervention strategies and promote their use to prevent substance use, abuse, addiction, and their consequences in underage populations. The target for FY 2014 was met.

The FY 2015 target is to assess the effectiveness of at least two strategies for dissemination and implementation of tested, efficacious interventions to prevent youth and young adult drug use, drug use problems, and risk behaviors. Prevention of the initiation of drug use and the escalation to addiction in those who have already initiated use is one of NIDA's primary strategic goals (see [NIDA's Strategic Plan](#)). To address this goal NIDA funds a robust prevention portfolio to identify the characteristics and patterns of drug use; understand how genes, environment, and development influence the risk and protective factors for drug use; and to apply this knowledge towards the development and dissemination of more effective strategies to prevent people from ever taking drugs and from progressing to addiction if they do. NIDA's Division of Epidemiology, Services, and Prevention Research includes 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. This implementation science research will be used to achieve this target.

(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. Any variation from these proven methodologies generates criticism that negates findings. 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 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 performance. The following briefly describes the NIH scientific process, which has been assessed by outside entities and is regarded as premier.

Assessment to fund meritorious science (peer review). 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. The 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. The NIH is one of the few Federal agencies with a legislative requirement for peer review.
- The second level of review is 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.

Performance monitoring of grants and contracts. Once an award is made, additional NIH policies and guidelines are implemented to ensure oversight of the proposed project aims and program goals. The NIH Grants Policy Statement (http://grants.nih.gov/grants/policy/nihgps_2013/) 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 principle 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.

Review of manuscripts. 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.

Additional controls specific for genetics projects. 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 previous animal data or, if not available, replicated and validated in newly generated animal models more suited to evaluate the implications of the genetic findings.

Every effort is made to acquire complete data sets; however, several factors conspire against doing so. These factors are either intrinsic to the type of data being collected (inability to collect from all drug abusers, 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. For example, NIDA relies on the latest findings of biochemical and other (e.g., neuroimaging) experimental evidence suggesting that a particular gene might be involved in the addiction process and on whole genome association scans, an *unbiased* strategy for identifying genetic variations within large experimental populations, to identify genes that may confer substance abuse vulnerability. Genes putatively associated with addiction are subjected to further characterization and validation, typically through animal models. 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

As described above, 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-8.7: By 2018, identify three effective system interventions generating the implementation, sustainability and ongoing improvement of research-tested interventions across health care systems.

Table 2: NIDA Annual Targets

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
Collaborative protocols have been developed to test 2 implementation models in CJ-DATS – MATICCE and HIV-STIC.	2 studies have been fielded to test 4 implementation strategies for incorporating research-supported treatment interventions in the criminal justice system.	All research centers have either begun or completed the implementation protocols for the 2 studies.	The CJ-DATS research protocols MATICCE and HIV-STIC completed data collection in FY 2013.	Undertake analyses to examine the effects of implementation strategies used in MATICCE and HIV-STIC protocols.	Eight peer-reviewed publications analyzing the effects of implementation of the MATICCE and HIV-STIC protocols have been published. Several more manuscripts are in progress.	Establish cooperative partnership with at least 3 juvenile justice agencies across the United States to participate with NIDA investigators in studies intended to develop and test models that facilitate uptake of evidence based drug abuse prevention and treatment interventions. The level of achievement from this target is conditional on receiving applications of sufficient scientific merit.

(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.

Decades of research have led to today’s improved understanding of addiction as a chronic, relapsing brain disease characterized by compulsive behaviors and caused by a combination of genetic, social, environmental, and developmental factors. NIH supports multidisciplinary research addressing the myriad factors that influence the development and progression of substance abuse and addiction, with the goal of informing and improving strategies to treat substance use disorders and prevent relapse.

NIH recognizes that despite major strides in treatment research, only limited improvements have occurred in non-research settings. An unacceptable gap separates scientific discoveries from their implementation into community and other practice settings. A scientific approach must be brought to bear on effectively testing and disseminating research-based treatments and understanding how health service systems and settings influence treatment implementation. Ultimately, NIH strives to make research-based treatments user friendly, cost effective, and available to a broad range of practitioners and their patients. NIDA highlights two

approaches the NIH is taking to address the gap in implementing interventions in non-research settings (i.e., improving treatment integration in criminal justice settings).

Criminal Justice Setting

Drug abuse and crime are highly correlated in both the adult criminal justice system and the juvenile justice system. It is estimated that 70–85 percent of State inmates need drug abuse treatment, yet only about 13 percent receive it while incarcerated. About 600,000 inmates per year are released back into the community, often without having received drug abuse treatment in prison or linkage to community-based drug treatment for continuing care. Left untreated, drug-addicted offenders often relapse to drug use and return to criminal behavior. This situation jeopardizes public health and public safety and leads to re-arrest and re-incarceration, which exacerbates already high burdens on the criminal justice system. To better address public health and safety concerns, a prevention and treatment model within the criminal justice system is needed that fits the chronic nature of addictive disorders and ensures a continuity of services in line with the individual's needs. Such an integrated model should be designed not only to incorporate the best criminal justice practices and therapeutic services but also to use the best organizational practices to deliver them.

NIDA funds a broad portfolio of research addressing drug abuse in the context of the criminal justice system. From 2002-2014 NIDA funded the Criminal Justice Drug Abuse Treatment Studies (CJ-DATS) program, a multisite research cooperative. The CJ-DATS program aligned with NIDA's multi-pronged approach to rapidly move more promising science-based addiction treatments into community settings, to improve existing drug treatment for criminal justice populations, and to inform the development of integrated treatment models. The CJ-DATS program included testing of *Medication-Assisted Treatment Implementation in Community Correctional Environments (MATICCE)* and *HIV Services and Treatment Implementation in Corrections (HIV-STIC)*. The MATICCE protocol tested implementation approaches aimed at improving service coordination between community correctional agencies and local treatment agencies. The HIV-STIC protocol tested an organizational intervention strategy targeting effective implementation of quality improvements in HIV services for preventing, detecting, and treating HIV in offenders under correctional supervision. Through these studies CJ-DATS contributed to a significant body of research describing existing treatment practices in the criminal justice system, developing and testing the effectiveness of specific interventions, and exploring strategies for implementation, quality improvement, and of drug abuse treatment programs for criminal justice populations.

In 2013 NIDA launched the Juvenile Justice Translational Research on Interventions for Adolescents in the Legal System (JJ-TRIALS) program. JJ-TRIALS is a seven-site cooperative research program designed to identify and test strategies for improving the delivery of evidence-based substance abuse and HIV prevention and treatment services for justice-involved youth. Many evidence-based interventions targeting adolescent substance abuse and HIV screening, assessment, prevention, and treatment currently exist. Unfortunately, implementation of these interventions within juvenile justice settings is variable, incomplete, and non-systematic at best. This research program will provide insight into the process by which juvenile justice and other service settings can successfully adopt and adapt existing evidence-based programs and

strategies to improve drug abuse and HIV service delivery for at-risk youth. The cooperative will also conduct a nationally representative survey of the juvenile justice system that will provide information about policies and practices related to substance use assessment and service delivery in these settings across the United States.

NIDA is also currently supporting the Seek, Test, Treat, and Retain (STTR) Initiative to empirically test the STTR paradigm with drug abusers in criminal justice populations. Researchers are developing, implementing, and testing strategies to increase HIV testing and the provision of HAART to HIV positive individuals involved with the criminal justice system, with particular focus on continuity of HAART during and after community re-entry following incarceration.

SRO-8.7 is focused on testing implementation and quality improvement strategies for effective treatment interventions within the criminal justice system. SRO-8.7 represents NIDA's long-term strategy for improving drug abuse treatment nationwide, thereby contributing to the *National Drug Control Strategy's Goals of: Integrating Treatment for Substance Use Disorders into Healthcare and Expanding Support for Recovery (Chapter 3) by supporting Seek, Test, and Treat HIV in the Criminal Justice System; and Breaking the Cycle of Drug Use, Crime, Delinquency, and Incarceration (Chapter 4) by supporting Innovative Criminal Justice Research Programs.*

(2) Provide narrative that examines the FY 2014 actual performance results with the FY 2014 target, as well as prior year actuals. If the performance target was not achieved for FY 2014, 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 2014 target was met. The CJ-DATS research protocols described in the FY 2010 target completed data collection in FY 2014. Across the two protocols described below, 8 peer-reviewed publications have been published to date^{4,5,6,7,8,9,10,11}. More than a dozen additional manuscripts are in progress.

⁴ Pearson, F., et al. (2014). Efficacy of a process improvement intervention on delivery of HIV services: A multi-site trial. *American Journal of Public Health*.

⁵ Visher, C., et al. (2014). The effect of a local change team intervention on staff attitudes toward HIV service delivery in correctional settings: A randomized trial. *AIDS Education and Prevention*, 25:5, 411-428.

⁶ Gordon, M., et al. (2014). Buprenorphine treatment for probationers and parolees. *Substance Abuse*. DOI: 10.1080/08897077.2014.902787

⁷ Swan, H., et al. (In press, 2015). Improvements in correctional HIV services: A case study in Delaware. *Journal of Correctional Health Care*. Special Issue 21(2).

⁸ Belenko, S., et al. (2013). Policies and practices in the delivery of HIV services in correctional agencies and facilities: Results from a multi-site survey. *Journal of Correctional Health Care*, 19(4), 293-310.

⁹ Ducharme, L.J., et al. (2013). Implementing drug abuse treatment services in criminal justice settings: Introduction to the CJ-DATS study protocol series. *Health & Justice*, 1:5.

¹⁰ Friedmann, P.D., et al. (2013). A cluster randomized trial of an organizational linkage intervention for offenders with substance use disorders: Study protocol. *Health & Justice*, 1:6.

¹¹ Belenko, S., et al. (2013). A cluster randomized trial of utilizing a local change team approach to improve the delivery of HIV services in correctional settings: Study protocol. *Health & Justice*, 1:8.

MATICCE (Medication-Assisted Treatment Implementation in Community Correctional Environments)

MATICCE was a collaborative study involving nine academic research centers (RCs), each with two community corrections partner agencies. The MATICCE protocol tested implementation approaches aimed at improving service coordination between community correctional agencies and local treatment agencies. The goals were to increase the number of persons in corrections who are given access to medication-assisted treatment (MAT) and to improve community corrections agents' knowledge and perceptions about MAT and increase their intent to refer individuals to appropriate community-based MAT services. The study randomized correctional agencies to one of two implementation strategies: (1) a KPI (Knowledge, Perception, and Information) intervention where correctional staff received structured training on use of medications in addiction treatment, including the effectiveness of MAT for reducing drug use and crime, for overcoming negative perceptions about MAT, and for providing information about local healthcare providers offering MAT; or (2) the KPI training plus an Organizational Linkage (OL) intervention, which engages key representatives from the corrections and treatment agencies in a strategic planning process designed to facilitate inter-organizational referral relationships, thereby improving the flow of offenders from community corrections to community-based treatment.

One peer-reviewed publication reporting on results of the MATICCE program is currently in press. This publication reports that the KPI staff training coupled with the facilitated OL strategic planning intervention was more effective than staff training alone in improving probation and parole officers' acceptance of MAT and willingness to refer clients to treatment. There are currently two additional publications related to the MATICCE study undergoing peer review and five being prepared for submission.

HIV Services and Treatment Implementation in Corrections (HIV-STIC)

HIV-STIC was a collaborative study involving 9 academic research centers (RCs) and 30 community corrections partner agencies. The HIV-STIC protocol tested an organizational intervention strategy targeting effective implementation of quality improvements in HIV services for preventing, detecting, and treating HIV in offenders under correctional supervision. The study randomized correctional facilities to one of two conditions. A control received basic training on the fundamentals of HIV infection, prevention, testing, and treatment, as well as information about the HIV services continuum. The experimental group implemented a process improvement approach to guide a Local Change Team (LCT) through a structured series of steps to improve HIV services. Such models have been found to improve health services implementation in other settings, but had not previously been tested in correctional settings or with HIV services.

Multiple peer-reviewed publications were released in 2014 demonstrating that the modified NIATx (Network for Improvement of Addiction Treatment) process improvement model used by the HIV-STIC protocol was successful in increasing the likelihood that a correctional facility would successfully deliver HIV services to their inmates as compared to facilities that only

received training on HIV services.¹² The process improvement model also resulted in more positive attitudes toward HIV service delivery among correctional staff.¹³ A survey of sites participating in the CJ-DATS HIV-STIC protocol prior to study commencement indicated that there was wide variation in the degree to which these correctional facilities adhered to national guidelines around HIV prevention, detection and care.¹⁴ Gaps in HIV service delivery were primarily attributed to limited resources. Five additional publications related to HIV-STIC are currently in development.

(3) The agency should describe the performance target for FY 2015 and how the agency plans to meet this target. If the target in FY 2014 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2015.

The FY 2015 target is to establish cooperative partnerships with at least 3 juvenile justice agencies across the United States to participate with NIDA investigators in studies intended to develop and test models that facilitate uptake of evidence-based drug abuse prevention and treatment interventions. To meet this target, NIDA will continue to support the JJ-TRIALS program and the STTR initiative as they develop and test interventions to improve the implementation of evidence-based programs for prevention and treatment of substance use disorders and HIV.

(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 services research) is guided by standard scientific methodologies, policies, and protocols to ensure the validity of its research results. NIH uses 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.

Additional controls specific for CJ-DATS.

For each study protocol, NIDA's CJ-DATS had an extensive process for ensuring the data were collected, verified, cleaned, analyzed, and reported in a systematic and consistent manner. CJ-DATS had a Data Management Committee (DMC) that included one or more representatives from each Research Center, which developed data collection and processing rules and monitored compliance across all protocols. The CJ-DATS Coordinating Center (CC) implemented these rules and worked in collaboration with the DMC to ensure quality control in the collection, entry,

¹² Pearson, F., et al. (2014). Efficacy of a process improvement intervention on delivery of HIV services: A multi-site trial. *American Journal of Public Health*.

¹³ Visher, C., et al (2014). The effect of a local change team intervention on staff attitudes toward HIV service delivery in correctional settings: A randomized trial. *AIDS Education and Prevention*, 25:5, 411-428

¹⁴ Belenko, S., et al. (2013). Policies and practices in the delivery of HIV services in correctional agencies and facilities: Results from a multi-site survey. *Journal of Correctional Health Care*, 19(4), 293-310.

verification, and documentation of data. NIDA staff actively monitored each study protocol and participated in regular meetings of the DMC and CC. Briefly, the process was as follows:

1. The DMC and CC worked collaboratively to establish overall data tracking, collection, and quality control procedures to ensure the collection of accurate data using reliable and valid measures consistently across all protocols. Any deviations from established data collection/entry protocols required approval by the DMC before being implemented.
2. The DMC developed data collection forms recognizable by TeleForm scanners (a commercial Optical Character Recognition software) and created templates for exporting scanned data into the statistical software system. Teleform eliminates the need for most hand-keying of data, thus improving accuracy of data entry.
3. The DMC and CC developed protocols for data quality checks to be followed by each Research Center before scanning data into the TeleForm system. Back-up procedures were developed for forms that could not be successfully scanned for any reason.
4. Research Centers uploaded data on a no-less-than monthly basis to a secure online system monitored by the CC. After receiving data uploads from Research Centers, CC staff complete extensive verification procedures to ensure the data's quality. This process includes reviewing automatic alerts generated by the TeleForm software and manually verifying all data fields.
5. CC staff follows set protocols for communicating with personnel at each Research Center to verify and correct any mistakes identified in their manual review of scanned data.
6. After the CC verified the accuracy of the data and corrected any mistakes, data files were made available to a data analysis subcommittee for each protocol. Each committee was led by an expert in quantitative analysis and included staff from each RC. This committee reviewed each data file in detail and completed a number of sophisticated analyses to check for possible errors (outliers, validation, etc.) that were not identified as part of the manual process described above. Errors, omissions, and other issues were documented for each RC, and corrections were requested within given time parameters.
7. Data files were considered ready for analysis only after the data analysis subcommittee and the CC completed all checks and were confident of the data's integrity. These "locked" files were then uploaded to a secure web-based file system where they were made available for analysis. A separate analytic file request/approval process managed by a lead data analyst for each study protocol ensured documentation of the use of each analytic file—by whom and for what purpose. This process avoided duplication of effort and ensured that only the current version of an analytic file was in use, and that the use was appropriate given the measures in the data file.
8. The CC staff also implemented a comprehensive inventory detailing the status and ultimate disposition of every form distributed to the RCs for data collection. Those data were used to calculate response rates and to ensure that every completed form was included in the analytic files.

In addition to the procedures outlined above, the DMC holds weekly calls to review any problems that emerge as part of this process. Key decisions or changes to procedures are documented and disseminated to the cooperative via the project's secure website. Logs are used to track the transfer of files among analysts.

Methodology Used to Establish Targets/Actuals

The targets were established based on the existing protocols. As discussed above, these protocols underwent a rigorous review process to determine which research areas held the most promise for filling gaps and should therefore be prioritized for testing. The target values were 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 was used to generate the targets for this measure.

Data Sources

Data collection for all CJ-DATS protocols was completed in FY 2013. In FY 2013 and continuing in FY 2014, several structured procedures were developed, refined and implemented to ensure accurate calculation and reporting of response rates, consistent use of syntax and documentation for constructed variables, minimum requirements for computed variables (e.g., scale reliabilities and factor weighting).

Decision Unit 2: NIAAA

Prevention

Measure SRO-5.15 (started in FY 2014): By 2018, develop, refine and evaluate evidence-based intervention strategies and promote their use to prevent substance use, abuse, addiction and their consequences in underage populations. (Note: This measure replaces the previous measure which ended in FY 2013. See Appendix on page 23 for details.)

Table 1: NIAAA Annual Targets

FY 2014 Target	FY 2014 Actual	FY 2015 Target
Develop materials for dissemination to academic officials that help them address underage and harmful drinking and other substance use by their students.	NIAAA developed the College Alcohol Interventions Matrix (College-AIM), a decision tool to help colleges and universities select appropriate strategies to meet their alcohol intervention goals. College-AIM is being finalized and will be released in 2015.	Evaluate the effectiveness of screening and brief intervention for alcohol and other drug use in a variety of settings.

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 abuse and addiction (including tobacco, alcohol, illicit, and nonmedical prescription drug use) is leading to prevention strategies that are based not on anecdotal experience but on validated epidemiological, genetic, and neuroscience research. NIH-supported research is building the scientific knowledge base needed to advance our goal of developing effective tailored prevention strategies.

Adolescence is the time of life during which the brain continues to develop, particularly the frontal cortex which mediates executive function. It is also the time of life during which the use of alcohol, tobacco, and marijuana all ramp up significantly, as well as a period of dramatic biological, social, and environmental changes. Alcohol remains the substance of choice among youth, and binge drinking and heavy drinking continue to be public health concerns. Early use of alcohol, tobacco, or illicit substances, as well as polysubstance use, is associated with increased risk of addiction. Alcohol, tobacco, marijuana, and other addictive substances may interfere with the developing brain, and given that the brain continues to develop past adolescence into a person’s twenties, these substances may have short- and long-term consequences for brain function and behavior. Substance use increases risk for other adverse outcomes such as cognitive impairment, blackouts, physical and sexual assault, risky behavior, alcohol poisoning, drug overdose, injuries, and death. Given the pervasive use of alcohol,

tobacco, and illicit substances among young people, the potential impact on their developmental trajectories, and the increased risk for addiction and other harmful consequences, effective prevention strategies are needed to preempt the adverse consequences of underage substance use for individual users, their families, their communities, and society-at-large.

SRO-5.15 is focused on developing, evaluating, and promoting evidence-based intervention strategies to prevent substance use, abuse, addiction, and their consequences in underage populations, thereby contributing to the *National Drug Control Strategy Goal of Strengthening Efforts to Prevent Drug Use in Our Communities (Chapter 1)*. NIAAA focuses on risk assessment and screening, universal and selective prevention, early intervention (before problems escalate and/or become chronic), and timely treatment for all individuals who need it. NIAAA will pursue different levels of interventions, e.g. school/college, family, and community, in support of this goal.

(2) Provide narrative that examines the FY 2014 actual performance results with the FY 2014 target, as well as prior year actuals. If the performance target was not achieved for FY 2014, 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 target for FY 2014 was met. Working with researchers with expertise in college drinking interventions, NIAAA developed a research-based decision tool to help colleges and universities select appropriate strategies to meet their alcohol intervention goals. The user-friendly decision tool will form the basis of a guide which will allow college presidents and administrators to review the strategies they are currently using as well as explore others that may serve them better. This tool and guide, the NIAAA College Alcohol Interventions Matrix (College-AIM), will allow users to search for strategies according to intervention level (e.g., individual, group, campus-wide, community) and evaluate factors such as effectiveness, cost, and ease of implementation. The NIAAA College-AIM is being finalized and will be released in 2015. An interactive online version of the decision tool is envisioned.

(3) The agency should describe the performance target for FY 2015 and how the agency plans to meet this target. If the target in FY 2014 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2014.

The FY 2015 target is to evaluate the effectiveness of screening and brief intervention for alcohol and other drug use in a variety of settings. Alcohol screening and brief intervention (SBI) has been shown effective in intervening with harmful drinking in adults, and evidence indicates that it can be effective in preventing and intervening with alcohol use and its consequences in children and adolescents. In 2011, NIAAA released an alcohol screening guide for pediatricians and other health care providers to identify children at elevated risk for using alcohol, children and adolescents who have already begun to experiment with alcohol, and those who are more heavily involved with alcohol. While this tool was developed for use in the primary care setting, it may also be useful in other settings. NIAAA-supported research to evaluate the youth guide in a variety of settings will be used to achieve this target.

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

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, 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 performance. The following briefly describes the NIH scientific process, which has been assessed by outside entities and is regarded as premier.

Assessment to fund meritorious science (peer review). 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. The 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. The NIH is one of the few Federal agencies with a legislative requirement for peer review.
- The second level of review is 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.

Performance monitoring of grants and contracts. Once an award is made, additional NIH policies and guidelines are implemented to ensure oversight of the proposed project aims and program goals. The NIH Grants Policy Statement (http://grants.nih.gov/grants/policy/nihgps_2013/) 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 principle 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.

Review of manuscripts. 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.

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 research advances are made, and they represent the next logical scientific steps for moving a particular field or initiative forward. For example, to promote the use of evidence-based intervention strategies for college drinking, NIAAA engaged a team of premier researchers with expertise in college drinking interventions to assess the state of the science on their effectiveness, cost, and ease of implementation. This process informed the development of the College-AIM, a decision tool designed to help college administrators more easily review and select alcohol interventions that are appropriate for their campuses. An additional group of prominent college drinking researchers served as peer reviewers for the data analysis underlying the decision tool.

Data Sources

As described above, 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-8.7: By 2018, identify three effective system interventions generating the implementation, sustainability and ongoing improvement of research-tested interventions across health systems.

Table 2: NIAAA Annual Targets

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
Products that promote assessing and managing problem drinking in different media formats were refined and/or pursued.	NIAAA has disseminated new multimedia products that promote implementation of screening and brief intervention in primary care and educate the general public about the health effects of alcohol. NIAAA also continued to support research on the implementation of screening and brief intervention in primary care.	NIAAA developed strategies for dissemination of the underage drinking screening guide and began dissemination for use in primary care settings.	NIAAA supported two additional studies to evaluate its youth alcohol screening guide and developed continuing medical education (CME) training through Medscape for physicians, nurses and physicians' assistants.	Support research to evaluate the effectiveness of the underage drinking screening guide as a predictor of alcohol risk, alcohol use, and related problems, including alcohol use disorders to improve service and treatment options for at-risk youth.	NIAAA continued to support research to evaluate the underage drinking screening guide in emergency department, juvenile justice, school, and primary care settings, and for youth with chronic conditions.	Penetrate primary care to increase alcohol screening and brief intervention by providing online continuing medical education (CME) for the underage drinking guide and by supporting efforts to enhance medical training curricula.

(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.

Primary Care Settings

NIH has a strong focus on preventing and reducing underage drinking, recognizing the pervasive use of alcohol among young people and the association between early initiation of alcohol use and future alcohol problems. A major focus is to integrate screening and brief intervention for youth into primary care. Research shows that while many youth are willing to discuss alcohol use with their doctors when assured of confidentiality, too few clinicians follow professional guidelines to screen their young patients. Clinicians often cite insufficient time, unfamiliarity with screening tools, the need to triage competing problems, and uncertainty about how to manage a positive screen, as barriers to alcohol screening. They therefore miss the opportunity to express concern about early alcohol use, allow their young patients to ask knowledgeable adults about alcohol, and intervene before or after drinking starts, as well as before or after problems develop. NIAAA's youth alcohol screening guide was devised to help health care providers identify alcohol use and alcohol use disorders in children and adolescents, as well as identify risk for alcohol use, especially in younger children. The tools, including a brief two-question screener and support materials about brief intervention and referral to treatment, are designed to help surmount common obstacles to youth alcohol screening in primary care. This tool was developed for use in the primary care setting and may also be useful in other settings.

SRO-8.7 is focused on identifying the key factors influencing the scaling up of research-tested interventions across large networks of services systems such as primary care, specialty care and community practice. SRO-8.7 represents NIAAA's long-term strategy for improving alcohol abuse treatment nationwide, thereby contributing to the *National Drug Control Strategy's Goal of: Seek Early Intervention Opportunities in Health Care (Chapter 2) by Evaluating Screening for Substance Use in Healthcare Settings and Enhancing Healthcare Providers' Skills in Screening and Brief Intervention.*

(2) Provide narrative that examines the FY 2014 actual performance results with the FY 2014 target, as well as prior year actuals. If the performance target was not achieved for FY 2014, 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 target for FY 2014 was met. To expand the venues in which at-risk youth can be serviced and referred to treatment when appropriate, NIAAA supported six ongoing five-year studies that are evaluating the youth alcohol screening guide in practice: one in a network of emergency departments, one in a juvenile justice setting, one in a school setting, two in primary care, and one with youth who have a chronic condition (e.g., asthma, diabetes). In addition to evaluating the effectiveness of the screening guide as a predictor of alcohol risk, alcohol use, and related

problems, including alcohol use disorders, these studies are also evaluating the effectiveness of the guide as an initial screen for drug use and other behavioral health problems. These studies will provide feedback to NIAAA that will facilitate refinement of the guide and help identify settings where use of the guide is appropriate and effective, thereby informing strategies for more widespread dissemination. In FY 2014, NIAAA also continued efforts to increase physicians' use of the youth alcohol screening guide in primary care and other health care settings.

(3) The agency should describe the performance target for FY 2015 and how the agency plans to meet this target. If the target in FY 2014 was not achieved, this explanation should detail how the agency plans to overcome prior year challenges to meet targets in FY 2014.

The FY 2015 target is to penetrate primary care to increase alcohol screening and brief intervention by providing online continuing medical education (CME) for the underage drinking guide and by supporting efforts to enhance medical training curricula. The CME course is currently available and NIAAA will continue to provide this training for healthcare providers in FY 2015. Recognizing the importance of training health care providers in preventing, screening and managing alcohol-related problems, NIAAA will also support efforts to enhance medical training curricula.

(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 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.

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

As described above, 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.

Appendix: Previous Prevention Measure

SRO-3.5: By 2013, identify and characterize at least 2 human candidate genes that have been shown to influence risk for substance use disorders and risk for psychiatric disorders using high-risk family, twin, and special population studies.

Table 1: NIDA Annual Performance

FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Research has identified or verified genetic markers of nicotine dependence vulnerability or outcomes of smoking cessation therapies including: CYP2A6, CHRNA5, SLC6A3, and NR4A2.	Three studies confirmed the association of gene variants in Chma5, Chma3, and Chrb4, on <i>chr15q25</i> with smoking frequency. Also, the first polygenic complex genetic score to significantly aid in predicting (in combination with other clinical attributes) success in smoking cessation was developed and tested.	Replicate/validate genetic markers that identify differences in treatment response and/or vulnerability to drug dependence in a minority population	NIH researchers characterized the functional roles of genes previously identified as being associated with addiction to tobacco and other drugs, including those within the CHRNA5/A3/B4 gene cluster and A11G of the human mu opioid receptor gene.	NIH researchers characterized additional gene variants associated with drug dependence and smoking cessation as well as developed new resources to help interpret the functional significance of identified variants.

Table 2: NIAAA Annual Performance

FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual
Functional differences related to alcohol dependence and treatment were validated for the A118G SNP of the OPRM1 gene.	Functional differences were characterized for sequence variations in genes encoding serotonin receptors and transporters, the oxidative stress enzyme SOD2, and nicotinic receptor subunits. (Target Met)	NIH researchers conducted functional studies of gene variants that are associated with increased risk for alcohol dependence through population-based research in European-Americans and African Americans.	NIH researchers replicated and extended the results of previous association studies in East Asian populations to populations of European and African ancestry.	NIH researchers identified genomic variants that were associated with risk for alcohol dependence.



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



January 15, 2015

TO: Dan Spears
Acting Chief Financial Officer
Substance Abuse and Mental Health Services Administration

FROM: /Gloria L. Jarmon/
Deputy Inspector General for Audit Services

SUBJECT: Independent Attestation Review: Substance Abuse and Mental Health Services Administration Fiscal Year 2014 Detailed Accounting Submission and Performance Summary Report for National Drug Control Activities and Accompanying Required Assertions (A-03-15-00353)

This report provides the results of our review of the attached Substance Abuse and Mental Health Services Administration (SAMHSA) detailed accounting submission, which includes the Table of Prior Year Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2014. We also reviewed the Performance Summary Report, which includes management's assertions and related performance information for the fiscal year ended September 30, 2014. SAMHSA management is responsible for, and prepared, the detailed accounting submission and Performance Summary Report to comply with the Office of National Drug Control Policy Circular *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 (the ONDCP Circular).

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

We conducted our attestation review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is to express an opinion on management's assertions contained in its report. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that SAMHSA's detailed accounting submission and Performance Summary Report for fiscal year 2014 were not fairly stated, in all material respects, based on the ONDCP Circular.

SAMHSA's detailed accounting submission and Performance Summary Report are included as Attachments A and B.

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and SAMHSA and is not intended to be, and should not be, used by anyone other than these specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Kay L. Daly, Assistant Inspector General for Audit Services, at (202) 619-1157 or through email at Kay.Daly@oig.hhs.gov. Please refer to report number A-03-15-00353 in all correspondence.

Attachments



To: Director
Office of National Drug Control Policy
NOV 7 2014

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

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

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*, dated January 18th, 2013, 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 which support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material 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.

Reprogrammings or Transfers

I assert that the data presented are associated with obligations against a financial plan that was revised during the fiscal year to include funds received from ONDCP in support of the Drug

Page 2 - Director, Office of National Drug Control Policy

Free Communities Program. SAMHSA received a total of \$90,109,177 from ONDCP via Interagency Agreements to fund activities of the Drug Free Communities Program in FY 2014. SAMHSA had no reportable reprogrammings or transfers in FY 2014.

Fund Control Notices

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

A handwritten signature in black ink that reads "Dan Spears". The signature is written in a cursive, flowing style.

Dan Spears
Acting Chief Financial Officer

Attachments:

Table of Prior Year Drug Control Obligations, FY 2014
Exhibit A - Drug Control Methodology

**SUBSTANCE ABUSE AND MENTAL HEALTH
SERVICES ADMINISTRATION**

**Table of Prior Year Drug Control Obligations
FY 2014
(Dollars in millions)**

Drug Resources by Decision Unit and Function

Substance Abuse Prevention Programs of Regional and National Significance	
<i>Prevention</i> ^{1/}	175.2
Total, Substance Abuse Prevention Programs of Regional and National Significance	\$175.2
Substance Abuse Treatment Programs of Regional and National Significance	
<i>Treatment</i> ^{1/}	362.9
Total, Substance Abuse Treatment Programs of Regional and National Significance	\$362.9
Substance Abuse Prevention and Treatment Block Grant	
<i>Prevention</i> ^{2/}	363.0
<i>Treatment</i> ^{2/}	1,452.1
Total, Substance Abuse Prevention and Treatment Block Grant	\$1,815.1
Health Surveillance and Program Support	
<i>Prevention (Non-add)</i> ^{3/}	22.9
<i>Treatment (Non-add)</i> ^{3/}	91.5
Total, Health Surveillance and Program Support	\$114.4
 Total Funding	 \$2,467.6
Drug Resources Personnel Summary	
<i>Total FTEs (direct only)</i>	619
Drug Resources as a Percent of Budget	
<i>Total Agency Budget</i> ^{4/} (in billions)	\$3.6
<i>Drug Resources Percentage</i>	68.2%
 Drug Free Communities Program ^{5/}	\$90.1
 Total with Drug Free Communities	 \$2,557.7

Footnotes:

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

^{2/} SAPT Block Grant obligations include funds provided to SAMHSA from the PHS evaluation fund.

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

^{4/} Total Agency Budget does not include Drug Free Communities Program funding.

^{5/} Drug Free Communities Program funding was provided to SAMHSA/CSAP via Interagency Agreements.

TOTALS MAY NOT ADD DUE TO ROUNDING

Exhibit A

(1) **Drug Methodology** - Actual obligations of prior year drug control budgetary resources are derived from the SAMHSA Unified Financial Management System (UFMS), 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 January 18th, 2013. 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 (SAPTBG) – (CSAT/CSAP); and
- Health Surveillance and Program Support¹ - 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 2014 are 100% 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. Actual obligations of prior year drug control budgetary resources are derived from the SAMHSA Unified Financial Management System (UFMS), PSC Status of Funds by Allotment and Allowance Report.

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

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

- CSAP's Programs of Regional and National Significance (PRNS) direct funds, excluding reimbursable authority obligations;
- 20% of the actual obligations of the Substance Abuse Prevention and Treatment Block Grant (SAPTBG) funds, including obligations related to receipt of PHS evaluation funds;
- Drug Free Community Program funds provided by Interagency Agreements with ONDCP²; and,
- Of the portion from SAMHSA Health Surveillance and Program Support funds, including obligations related to receipt of PHS evaluation funds and Prevention and Public Health Funds, 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% of the SA portion is considered Prevention;

¹ The Health Surveillance and Program Support Appropriation funded activities are split between Mental Health/ Substance Abuse as follows: Program Support, Health Surveillance and PQIS are split the same percentage split as between MH/SA appropriations. PAS and Agency-wide are split 50/50 between MH/SA. The subsequent Substance Abuse amounts are then divided into 20% for Prevention and 80% for Treatment.

² The Drug Free Community Program is considered part of Prevention, but is reflected as a separate line item on the Table of Prior Year Drug Control Obligations as it is a reimbursable funding amount and not part of direct funding.

- Performance and Quality Information Systems (PQIS) funds were split between MH and SA the same percentage split as between the MH/SA appropriations and 20% of the SA portion is considered Prevention;
- Program Support funds were split between MH and SA the same percentage split as between the MH/SA appropriations and 20% of the SA portion is considered Prevention;
- Health Surveillance funds were split between MH and SA the same percentage split as between the MH/SA appropriations and 20% of the SA portion is considered Prevention; and
- Agency Wide initiatives were split 50/50 between SA and MH and 20% of the SA portion is considered Prevention.

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

- CSAT's Programs of Regional and National Significance (PRNS) direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS Evaluation funds;
 - 80% of the actual obligations of the Substance Abuse Prevention and Treatment Block Grant (SAPTBG) funds, including obligations related to receipt of PHS Evaluation funds; and,
 - Of the portion from SAMHSA Health Surveillance and Program Support funds, including obligations related to receipt of PHS evaluation funds and Prevention and Public Health Funds, the assumptions are as follows:
 - Public Awareness and Support (PAS) funds were split 50/50 between Substance Abuse (SA) and Mental Health (MH) and 80% of the SA portion is considered Treatment;
 - Performance and Quality Information Systems (PQIS) funds were split between MH and SA the same percentage split as between the MH/SA appropriations and 80% of the SA portion is considered Treatment;
 - Program Support funds were split between MH and SA the same percentage split as between the MH/SA appropriations and 80% of the SA portion is considered Treatment;
 - Health Surveillance funds were split between MH and SA the same percentage split as between the MH/SA appropriations and 80% of the SA portion is considered Treatment; and
 - Agency Wide initiatives were split 50/50 between SA and MH and 80% of the SA portion is considered Treatment.
- (2) **Methodology Modifications** – None.
- (3) **Reprogrammings or Transfers** – SAMHSA entered into Interagency Agreements with ONDCP in the amount of \$90,109,177 to fund activities of the Drug Free Communities Program in FY 2014.
- (4) **Other Disclosures** – None.



NOV 07 2014

MEMORANDUM TO: Director
Office of National Drug Control Policy

THROUGH: Norris Cochran
Deputy Assistant Secretary, Budget

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

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

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 the attached report.

Explanations for Not Meeting Performance Targets

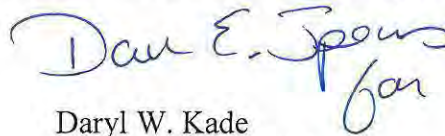
I assert that the explanations offered in the attached report for failing to meet a performance target are reasonable and that any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets are reasonable.

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.


Daryl W. Kade
Chief Financial Officer

Attachment: FY 2014 Performance Summary Report for National Drug Control Activities

FY 2014 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 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
70.3%	76.2% ¹	70%	76.2% ²	74%	76.3%	74%	TBR 11/2014	74%

- (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 serves as a focus of discussion with the states, and aids in the management of the program.
- (2) The target for FY 2012 was exceeded with 76.2 percent reporting no drug use at discharge. The target for FY 2013 was also exceeded with 76.3 percent. The results are being monitored closely as the impact of national policy changes is better understood. Because of the lag in the reporting system, actual data for FY 2014 will not be available until November 2014.
- (3) The performance targets for FY 2014 and FY 2015 were set at 74 percent, which is an increase from the (exceeded) FY 2012 target. 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. 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 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 the following

¹ Revised slightly from what was previously reported as data was cleaned and updated.

² Revised slightly from what was previously reported as data was cleaned and updated.

links: http://www.dasis.samhsa.gov/dasis2/manuals/teds_adm_manual.pdf and
http://www.dasis.samhsa.gov/dasis2/manuals/teds_manual.pdf.

Decision Unit 1: Substance Abuse Prevention and Treatment Block Grant (SAPTBG)

Measure 2: Percent of states showing an increase in state-level estimates of survey respondents who rate the risk of substance abuse as moderate or great (age 12-17)

Table 2: Measure 2³

FY 2011 Target	FY 2011 Historical Actual	FY 2012 Target	FY 2012 Historical Actual	FY 2013 Target	FY 2013 Historical Actual	FY 2014 Target	FY 2014 Historical Actual	FY 2015 Target
47.1%	21.6% ⁴	47.1%	25.5% ⁵	47.1%	TBR 12/2014	47.1%	TBR 12/2015	19% ⁶

(1) Measure 2, for Decision Unit 1 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,⁷ as it remains a significant predictor of substance use behaviors^{8,9}. For example, “Monitoring the Future, 2008” tracks the trends in perceived risk with substance use since the 1970s¹⁰. 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 22¹¹. 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.

³ Previous data revised for reasons stated in the report.

⁴ Revised slightly from what was previously reported as data was cleaned and updated.

⁵ Revised slightly from what was previously reported as data was cleaned and updated.

⁶ Target revision based on trends seen in reporting of historical actual data.

⁷ Bjarnason, T. & Jonsson, S. (2005). Contrast Effects in Perceived Risk of Substance Use. *Substance Use & Misuse*, 40:1733–1748.

⁸ 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.

⁹ 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.

¹⁰ 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.

¹¹ 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. Reykjavík: F’elagsv’isindastofnun H’ask’ola Íslands.

- (2) In FY 2012, 25.5 percent of states reported increased rates of moderate or great perceived risk in two or more substances. In FY 2011, this measure demonstrated progress from the result of 21.6 percent reported in FY 2011. This finding is substantially affected by perceived risk of marijuana use. Comparing the perceived risk for the three individual substances, over 41 percent of states improved on percentage of respondents reporting perceived moderate to great risk of cigarettes. In contrast, only 17.6 percent improved on the measure for perceived risk of marijuana use. The update for FY 2013 data is due at the end of December 2014.

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 rates 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. For example, the 2013 estimate is pooled 2013-2014 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. Therefore, the FY 2013 historical actual results for this measure are not yet available. During analysis, one must consider recent contextual factors, such as marijuana legalization and decriminalization, which likely influences the perceived risk of harm from marijuana.

- (3) 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 is closely monitoring the data during FY 2011 – FY 2014. The target for FY 2015 was set based on the data reported. Increased targets are anticipated after FY 2015.
- (4) Data for levels of perceived risk of harm from substance use are obtained annually from 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 States¹². 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:

¹² Information on the data collection and validation methods for the NSDUH can be found at <http://www.samhsa.gov/data/NSDUH/NSDUHMethodsSIMS2012.pdf>

$$\frac{\text{Number of SAPTBG grantees improved}}{\text{Total Number of SAPTBG grantees}} = \text{Performance Result}$$

Decision Unit 2: Center for Substance Abuse Treatment (CSAT) Programs of Regional and National Significance (PRNS)

Measure 3: Percent of adults receiving services who had no involvement with the criminal justice system (no past month arrests)

Table 3: Measure 3

FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
95%	96%	95%	96.4%	96%	96.6% ¹³	93%	96.5%	93%

- (1) Measure 3 is the percent of clients served by the capacity portion of the PRNS portfolio¹⁴ 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 both FY 2013 and FY 2014 were exceeded with data indicating that 96.6 and 96.5 percent respectively of adults receiving services had no involvement with the criminal justice system.
- (3) The targets for FY 2014 and FY 2015 are 93 percent, which is a slight decrease from the FY 2013 target. The target reduction 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.
- (4) CSAT is able to ensure the accuracy and completeness of this measure as all data are submitted via the Services Accountability Improvement System (SAIS), a web-based data entry and reporting system. The system has automated built-in checks designed to assure data quality. The SAIS 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

¹³ Revised from what was previously reported as data was cleaned and verified.

¹⁴ PRNS capacity programs: Targeted Capacity Expansion (TCE)/General, HIV/AIDS Outreach, Addiction Treatment for Homeless Persons, Cooperative Agreements to Benefit Homeless Individuals, Grants for the Benefit of Homeless Individuals-Services in Supportive Housing, Family Drug Courts, Juvenile Drug Courts, Adult Drug Courts, Pregnant and Post-Partum Women, Recovery Community Services – Recovery, Recovery Community Services-State network.

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.

Decision Unit 3: Center for Substance Abuse Prevention (CSAP) PRNS

Measure 4: Percent of program participants that rate the risk of harm from substance abuse as great (all ages)¹⁵

Table 4: Measure 4¹⁶

FY 2011 Actual	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
87.0% ¹⁷	88.8% ¹⁸	88.0%	88.1%	88.0%	TBR 8/2015	88.0%

(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 STOP Act grant 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,¹⁹ as it remains a significant predictor of substance use behaviors^{20, 21}. For example, “Monitoring the Future, 2008” tracks the trends in perceived risk with substance use since the 1970s²². 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 22²³. Because it can assist in understanding and predicting changes in the

¹⁵ Data from Minority AIDS Initiative (MAI): Substance Abuse Prevention, HIV Prevention and Hepatitis Prevention for Minorities and Minorities Re-entering Communities Post-Incarceration [HIV]

¹⁶ Beginning in FY2013, this is a change from the previous Decision Unit 3, Measure 4 for reasons explained in the report.

¹⁷ Revised from what was previously reported in budget documents as data were cleaned and updated.

¹⁸ Revised from what was previously reported in budget documents as data were cleaned and updated.

¹⁹ Bjarnason, T. & Jonsson, S. (2005). Contrast Effects in Perceived Risk of Substance Use. *Substance Use & Misuse*, 40:1733–1748.

²⁰ 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.

²¹ 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.

²² 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.

²³ 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. Reykjavík: F’elagsv’isindastofnun H’ask’ola ‘Islands.

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. In FY 2013, 88.1 percent of program participants rated the risk of substance abuse as great.

Previously, SAMHSA reported the percent of program participants (age 18 and up) that 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 of harm. It is believed that this change addresses the ceiling effect.

- (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. SAMHSA believes that this new replacement provides a more global indicator that does not separate-out age groups (such as youth vs. adults) and only reports perceived great risk. The new measure is included in Budget and Performance Summary that accompanies the FY 2015 National Drug Control Strategy, released on July 2, 2014.
- (3) The performance targets for FY 2014 and FY 2015 were set at 88% for each year. Performance targets were set using results from previous years combined.
- (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. Grantees collect and then enter their data using an online data entry system. The data are processed, cleaned, analyzed and reported under the Data Collection Analysis and Reporting contract. 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 and task lead, who work 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.

TAB F: Department of Homeland Security



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

January 23, 2015

Ms. Michele Marx
Associate Director for Management and Administration
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. Marx:

The enclosed report presents the results of our independent review of the U.S. Customs and Border Protection's (CBP) fiscal year 2014 Drug Control Performance Summary Report.

The Office of National Drug Control Policy's circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, requires the Office of Inspector General to express a conclusion about the reliability of each assertion made in CBP's Drug Control Performance Summary Report. The review of CBP's report was conducted as an attestation engagement consistent with the *Statements for Standards of Attestation Engagements* promulgated by the American Institute of Certified Public Accountants.

Please call me with any questions, or your staff may contact Mark Bell, Assistant Inspector General for Audits, at (202) 254-4100.

Sincerely,

A handwritten signature in black ink that reads "John Roth".

John Roth
Inspector General

Enclosure

OFFICE OF INSPECTOR GENERAL

Review of U.S. Customs and Border Protection's FY 2014 Drug Control Performance Summary Report



Homeland
Security

**January 23, 2015
OIG-15-26**



HIGHLIGHTS

Review of U.S. Customs and Border Protection's FY 2014 Drug Control Performance Summary Report

January 23, 2015

Why We Did This

The Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, requires National Drug Control Program agencies to submit to the ONDCP Director, not later than February 1 of each year, a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. The Office of Inspector General (OIG) is required to conduct a review of the agency's submission and provide a conclusion about the reliability of each assertion in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 254-4100, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

KPMG LLP, under contract with the Department of Homeland Security OIG, issued an Independent Accountants' Report on the U.S. Customs and Border Protection's (CBP) fiscal year (FY) 2014 Drug Control Performance Summary Report. CBP management prepared the Performance Summary Report and related disclosures to comply with the requirements of ONDCP circular, *Accounting of Drug Control Funding and Performance Summary* (Circular), dated January 18, 2013. Based on its review, nothing came to KPMG LLP's attention that caused it to believe that the Performance Summary Report for the year ended September 30, 2014, is not presented, in all material respects, in conformity with the criteria in the ONDCP Circular. KPMG LLP did not make any recommendations as a result of its review.



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

JAN 23 2015

TO: Eugene H. Schied
Assistant Commissioner
U.S. Customs and Border Protection

FROM: Mark Bell 
Assistant Inspector General for Audits

SUBJECT: *Review of U.S. Customs and Border Protection's FY 2014 Drug Control Performance Summary Report, Report Number OIG-15-26*

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's FY 2014 Drug Control Performance Summary Report*. U.S. Customs and Border Protection's (CBP) management prepared the Performance Summary Report and related disclosures to comply with the requirements of the Office of National Drug Control Policy's circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013.

We contracted with the independent public accounting firm, KPMG LLP (KPMG), to review CBP's Drug Control Performance Summary Report. KPMG is responsible for the attached Independent Accountants' Report of its review, dated January 20, 2015, and the conclusions expressed in it. KPMG's report contains no recommendations.

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

Please call me with any questions, or your staff may contact Don Bumgardner, Acting Deputy Assistant Inspector General for Audits, at (202) 254-4100.

Attachment



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Accountants' Report

Inspector General
U.S. Department of Homeland Security:

We have reviewed the accompanying Performance Summary Report of the U.S. Department of Homeland Security's (DHS) Customs and Border Protection (CBP) for the year ended September 30, 2014. CBP's management is responsible for the Performance Summary Report.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of CBP prepared the Performance Summary Report to comply with the requirements of the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 (the Circular).

Based on our review, nothing came to our attention that caused us to believe that the Performance Summary Report for the year ended September 30, 2014, referred to above, is not presented, in all material respects, in conformity with the criteria set forth in the Circular.

This report is intended solely for the information and use of management of DHS and CBP, the DHS Inspector General, 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.

KPMG LLP

January 20, 2015



**U.S. Customs and
Border Protection**

January 20, 2015

MEMORANDUM FOR: Mark Bell
Assistant Inspector General for Audit
Department of Homeland Security

FROM: Jaye M. Williams
Chief Financial Officer

SUBJECT: Management's Assertions for CBP's Performance Summary Report to ONDCP

In compliance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, U.S. Customs and Border Protection (CBP) submits its Performance Summary Report to ONDCP. The report contains the results of CBP's Fiscal Year (FY) 2014 performance in support of the *National Drug Control Strategy*.

CBP makes the following assertions:

- (1) Performance reporting system is appropriate and applied—CBP has a system to capture performance information accurately and the system was properly applied to generate the performance data;
- (2) All performance targets in FY 2014 were successfully met;
- (3) Methodology to establish performance targets is reasonable and consistently applied, given past performance and available resources. Professional judgement was used in establishing performance measure targets based on subject matter experts with several years of experience in the field; and
- (4) Adequate performance measures exist for all significant drug control activities. CBP has established at least one acceptable performance measure for each Drug Control Decision Unit identified in reports. Each performance measure considers the intended purpose of the National Drug Control Program Activity.

If you have any questions or would like additional information, please contact me at (202) 344-2364, or a member of your staff may contact Mr. James McNally, Director, Investment Analysis Office, at (202) 344-1651.

Attachments

**U.S. Department of Homeland Security
U.S. Customs and Border Protection
Performance Summary Report
Fiscal Year (FY) 2014**

The performance measures presented below directly link to the 2014 *National Drug Control Strategy* by evaluating U.S. Customs and Border Protection's (CBP) success in disrupting domestic drug trafficking. This Performance Summary Report (PSR) contains the performance measure aligned to drug control decision units as required by the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. The drug control decision units are as follows: (1) Salaries and Expenses, (2) Air and Marine Operations, (3) Automation Modernization, and (4) Border Security Fence, Infrastructure and Technology. Based on this PSR, the attached Management Assertions letter states the following: (1) the performance reporting system is appropriate and applied; (2) all performance targets in Fiscal Year (FY) 2014 were met; (3) the methodology used to establish performance targets is reasonable and applied; and (4) adequate performance measures exist for all significant drug control activities.

Drug Control Decision Unit – Salaries and Expenses

Performance Measure – Office of Field Operations – Amount of currency seized on exit from the United States.

(1) Performance Measures

The performance measure, "Amount of currency seized on exit from the United States," provides the total dollar amount of all currency, in millions, seized during outbound inspection of exiting passengers and vehicles, both privately-owned and commercial. The scope of this measure includes all ports of entry on both the southwest and northern borders and all modes of transportation (land, air, and sea). This measure assists in evaluating CBP's success in disrupting domestic drug trafficking at the land border ports of entry, which is a key outcome for the National Drug Control Strategy.

This measure is based upon the seizure-related enforcement outcomes of CBP's Outbound Enforcement program, which provides an indicator of the success that CBP has in disrupting domestic drug trafficking at the land borders by stemming the flow of potential narcotics-related proceeds destined to criminal or transnational groups.

The CBP Office of Field Operations (OFO) conducts risk-based Outbound operations at land border ports of entry and international airports, enabling CBP to enforce U.S. laws and regulations which apply to the Outbound arena, including, but not limited to, immigration and drug laws. The Outbound Enforcement program is part of CBP's effort to effectively monitor and control the flow of goods and people leaving the United States. The goal of CBP's Outbound Enforcement program is to keep the United States safe by preventing the illicit export of goods, ranging from firearms to components of weapons of mass destruction, by individuals seeking to circumvent U.S. export control laws. This goal was developed in recognition of the fact that such goods could potentially fall into the hands of terrorists or criminal elements. The program also seeks to disrupt criminal elements and terrorist organizations by interdicting their proceeds and arresting members of their organizations.

A number of presidential strategies, including the President's National Export Initiative, the President's Export Control Reform Initiative, the National Drug Control Strategy, and the National Southwest Border Counter Narcotics Strategy, designate outbound enforcement as a crucial component on the war on drugs. The total currency seized upon exit from the United States in FY 2014, which was in excess of \$37.7

million, is an indicator of CBP's success in disrupting domestic drug trafficking at the borders. These currencies could have been destined for criminal or transnational groups.

(2) Prior Years Performance Targets and Results

Fiscal Year:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target:	None	\$40.0M	\$35.0M	\$30.0M	\$30.0M
Actual:	None	\$47M	\$31.9M	\$36.9M	\$37.7M

Once CBP instituted its risk-based Outbound enforcement strategy in FY 2009 and increased the overall level of Outbound enforcement activities, CBP saw a gradual but significant decrease in currency seizures both in terms of absolute number of seizures and the average amount seized through FY 2012. During the second half of FY 2013 and the course of FY 2014, special operations set up in support of collaborative enforcement efforts with the Drug Enforcement Agency (DEA) and Immigration and Customs Enforcement (ICE) through Operation Toll Road, as well as working with other law enforcement agencies through the Border Enforcement Security Task Force (BEST), resulted in a number of larger seizures that temporarily increased the total amount seized over the level observed in the prior years. These special operations are not permanent programs and may or may not continue in the future.

(3) Current Year Performance Targets

Fiscal Year:	FY 2015
Target:	\$30.0M

Currently, CBP conducts limited Outbound enforcement operations, examining only departing goods and travelers identified as high-risk based on CBP Officer assessment at the ports and/or automated systems alerts triggered by available data. Based upon this limited operational strategy and the deterrence effect associated with a relatively new program, as described above, such operations should result in a decrease in the amount of currency seized as an expected outcome. For FY 2015 and subsequent years, the combination of fewer special operations and the deterrence effect of regular Outbound operations support the decision to maintain the \$30.0M target.

(4) Quality of Performance Data

The data underlying this measure is accurate, complete, and unbiased. This measure is calculated from Outbound seizure-related enforcement action data entered into TECS (a computer-based tool used to support CBP operations) by the CBP Officer at the time of occurrence of the violation. On a monthly basis, the detailed transaction data is compiled and extracted into the summary provided by the Operations Management Report (OMR) module in BorderStat, the CBP system of record for capturing and reporting on all enforcement and operations statistical data across its operational components. The monthly summary data is reviewed by OFO's Outbound Program Manager to verify accuracy and identify anomalies.

Drug Control Decision Unit – Air and Marine Operations

Performance Measure – Office of Air and Marine – Percentage of Joint Interagency Task Force-South (JIATF-S) annual mission hour objective achieved.

(1) Performance Measures

The Office of Air and Marine (OAM) conducts extended border operations as part of CBP's layered approach to homeland security. OAM deploys assets in the source and transit zones through coordinated liaison with other U.S. agencies and international partners. The National Interdiction Command and Control Plan (NICCP) sets the overarching operational architecture for organizations involved in interdicting illicit drugs in keeping with the goals and objectives of the National Drug Control Strategy. OAM coordinates with the larger law enforcement and interdiction community through its partnership with Joint Interagency Task Force - South (JIATF-S). JIATF-S is the tasking coordinator and controller for counter-drug missions within the transit¹ and source² zones. JIATF-S submits its resource allocation requirements through the NICCP. The Department of Homeland Security (DHS) responds to the requirements in a Statement of Intent. OAM typically supports JIATF-S requests with P-3 Airborne Early Warning (AEW) and P-3 Long-Range Tracker (LRT) aircraft, but has also supported JIATF-S with other aircraft, including its DHC-8 and C-12M fixed-wing aircraft; Black Hawk rotary-wing aircraft; and unmanned aircraft systems (UAS).

As a result of the August 19, 2003, Presidential Determination Regarding U.S. Assistance to the Government of Colombia Airbridge Denial Program, OAM began receiving funding in FY 2005 to support JIATF-S as part of its base budget.

The performance measure "Percentage of Joint Interagency Task-Force South (JIATF-S) Annual Mission Hour Objective" identifies the degree to which OAM meets its intended flight hours for JIATF-S in support of the National Drug Control Strategy.

(2) Prior Years Performance Targets and Results

The Percentage of JIATF-S Annual Mission Hour Objective Achieved was initially introduced as a measure in FY 2011.

Fiscal Year:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target:	None	100%	100%	100%	100%
Actual:	None	100%	100%	100%	100%

In the NICCP, dated March 17, 2010, JIATF-S forecasted its FY 2011 support requirements for a range of aircraft. In its annual Statement of Intent, DHS responds to the requirements in the NICCP. The FY 2014 DHS Statement of Intent included CBP's objective to provide 5,050 flight hours for detection and monitoring activities with aircraft in support of JIATF-S operations. OAM exceeded the goal of 5,050 hours for FY 2014, flying a total of 6,293.7 hours with its P-3 (5,918.8 hours), UAS (317.0 hours), and the King Air B-350 Multi-Role Enforcement Aircraft (33.0 hours), and DHC-8 aircraft (24.9 hours).

(3) Current Year Performance Targets

¹ The transit zone encompasses Central America, Mexico, the Caribbean Sea, the Gulf of Mexico, and the eastern Pacific Ocean.

² The source zone includes the principal drug producing countries of Bolivia, Columbia, and Peru.

Fiscal Year: 2015

Target: Provide 100% of the 6,000 hours of JIATF-S support budgeted for the transit zone.

On October 31, 2014, OAM submitted its input for the FY 2015 DHS Statement of Intent to the DHS Office of Policy, via the Homeland Secured Data Network. This input was based on current anticipated budgets and planning estimates involving maritime patrol aircraft flight hours in the transit zone.

The FY 2015 DHS Statement of Intent included CBP's objective to provide 6,000 flight hours in the transit zone with its P-3 and UAS.

(4) Quality of Performance Data

The data underlying this measure is accurate, complete and unbiased. OAM P-3 flight data is recorded using a Post Flight Record Form (CBPAVP-051-2 RI 26 July 2004). The flight data entry is then validated against the Computerized Aircraft Reporting and Material Control (CARMAC) System, which is utilized by aircraft maintenance to track flight time accrued on the aircraft. The flight data is then checked monthly against the Tasking, Operations, and Management Information System (TOMIS). The data from these systems can be queried through any CBP computer with appropriate access.

Drug Control Decision Unit – Automation Modernization

Performance Measure – Office of Information Technology – Percent of time TECS is available to end users.

(1) Performance Measures

The measure, "Percent of time TECS is available to end users," quantifies the availability of the TECS service to all end-users based on a service level of 24X7 service. TECS is a CBP mission-critical law enforcement application system designed to identify individuals and businesses suspected of or involved in violation of federal law. TECS is also a communications system permitting message transmittal between the Department of Homeland Security law enforcement offices and other National, state, and local law enforcement agencies, access to the Federal Bureau of Investigation's National Crime Information Center and the National Law Enforcement Telecommunication Systems (NLETS). NLETS provides direct access to state motor vehicle departments.

(2) Prior Years Performance Targets and Results

Fiscal Year:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target:	98.0%	99.0%	99.0%	99.0%	99.0%
Actual:	99.6%	100%	99.9%	99.9%	99.9%

TECS is a CBP mission critical law enforcement application system designed to identify individuals and businesses suspected of or involved in violation of federal law. TECS surpassed its goal this year with an availability of 99.9%.

(3) Current Year Performance Targets

Fiscal Year:	2015
Target:	99.0%

Current trends and funding expectations point to a likelihood of achieving the FY 2015 target of 99.0% with no anticipated challenges to TECS system availability.

(4) Quality of Performance Data

Applications availability statistics of the major production servers associated with TECS Production, TECS Airports, TECS Land Borders and Seized Asset Case Tracking System (SEACATS), is used to provide "TECS Systems" availability. The range of data is from all systems. Note: The scope of the data is changing as the customer base increases with new users and applications. TECS is actively adding end users.

The Computer Associates Event and Automation tool for mainframe systems (CA OPS/MVS) is a web-based application that enables system administrators/technicians to track and analyze the performance of business processes and network infrastructure, and diagnose the cause of end-user performance as well as process monitoring and automation.

CA OPS/MVS monitors all system logs and task activity and has been customized to timestamp and log all down and up-times associated with a subsystem or process as well as the host system. System and started task outages are monitored by the Automated Operations team via automated processes and then compiled into a table called "System Availability". Technical Operations Center personnel then access the

table and provide additional information regarding outages. Personnel from each shift access the System Availability table every day and update any new records in the table.

All data logged are reviewed for accuracy and comments are added by Computer Operations staff for the purpose of identifying discrepancies. Each business day Subject Matter Experts (Systems, Applications, and Networks) meet at the Significant Outages and Incidents meeting to review the CIO Outage Report which is generated for the Office of Information Technology (OIT) Assistant Commissioner and other senior CBP management staff. The Subject Matter Experts review incidents and validate the information that is being reported. The OIT Assistant Commissioner and senior CBP management review the audited data. Discrepancies caused in outages times or impact may occur by rare events such as network rerouting data across backup links or CA OPS/MVS tool issues. These issues are identified by the Subject Matter Experts, and corrected by the Duty Officer and Technology Operations staff who provide the finalized reports to the OIT Assistant Commissioner and senior CBP management staff.

Drug Control Decision Unit – Border Security Fencing, Infrastructure and Technology

Performance Measure – Office of Border Patrol – Interdiction Effectiveness Rate (IER) on the Southwest Border between the ports of entry.

(1) Performance Measures

In FY 2014 the United States Border Patrol (USBP) transitioned away from targeting the number of apprehensions on the Southwest border, and focused on improving the percentage of known entries that are apprehended or turned back to Mexico. The Border Patrol achieves this desired strategic outcome by maximizing the apprehension of detected illegal entrants or confirming that illegal entrants return to the country from which they entered, and by minimizing the number of persons who evade apprehension and can no longer be pursued.

USBP works to mitigate all threats – terrorists and weapons of terrorism, smuggling of narcotics, other contraband and people, and the illegal entry of people at the border. Border Patrol agents prepare for, detect, and intercept any and all combinations of these threats that present themselves along the borders. The interdiction of people frequently coincides with the interdiction of drugs in the border environment. Apprehensions are captured in Border Patrol’s IER, and this measure does not differentiate between apprehensions and those apprehended transporting narcotics. **Generally, all cross-border incursions are accounted for as entries, and result in either an apprehension, “turnback” or “gotaway”.** These results are accounted for in the IER. Over FY 2014, Border Patrol has increased their IER, which measures effectiveness in resolving all cross-border incursions.

The enforcement advantage gained from fencing, other infrastructure, and technology, such as sensors and cameras, allows agents to more effectively and efficiently perform their duties to detect, identify, and intercept threats. An improvement in CBP’s enforcement posture over the past several years since 9/11 has been a healthy build-up in resources and capabilities, including manpower, fencing, infrastructure and technology. This vastly improved enforcement posture has coincided with an overall decrease in apprehensions since 2005, and an improvement in the IER since it was tracked in FY13. Funds and resources provided in 2010 created an even stronger enforcement environment for 2011, as noted in the 2011 National Drug Control Strategy. During FY 2014, the Border Patrol seized 1,920,411 pounds of marijuana along the Southwest border, an increase of more than 725,000 pounds seized in 2005 along the Southwest border.

(2) Prior Years Performance Targets and Results

Fiscal Year:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target:	None	None	None	None	77%
Actual:	None	None	None	76%	79.3%

This performance measure was initially introduced as a DHS strategic measure in FY 2014. The baseline data collection during FY 2013 coincided with an effort on part of the Border Patrol to standardize the methods across Southwest border sectors to record apprehensions, “gotaways”, and “turnbacks”, the three key factors in the formula for calculating the IER. The baseline data collection year result of 76% provided a reference for setting a target for FY 2014 of 77% or greater.

(3) Current Year Performance Targets

Fiscal Year: 2015

Target: ≥ 80%

A combination of efforts under a risk-based strategy can influence an improvement in the IER. Better intelligence and risk-based deployment of surveillance capabilities enhances situational awareness and aids in identifying potential or emerging threats. This in turn allows for better informed, more agile responses at tactical and strategic levels. At the tactical level, field commanders can direct personnel and mobile technologies to respond to higher threat areas. At the strategic level, USBP can place increased focus on positioning assets according to changing threat levels. Finally, coordination of operational efforts with our strategic partners improves unity of effort toward degrading transnational criminal organizations that profit in cross border illegal entries. In FY 2014 USBP employed these and other efforts, and will continue to apply additional actions to improve detection and interdiction of illegal entries.

(4) Quality of Performance Data

Targets and results for the “Rate of interdiction effectiveness along the Southwest Border between ports of entry” measure is based on data collected on apprehensions, “turnbacks”, and “entries.” Entries equal the sum of (Apprehensions + Turnbacks + Gotaways). The formula used to calculate the Interdiction Effectiveness Rate is $(\text{Apprehensions} + \text{Turnbacks}) / (\text{Entries})$. The scope includes all areas of the Southwest border that are generally at or below the northern most checkpoint within a given area of responsibility.

Apprehensions are defined as, “a deportable subject who, after making an illegal entry, is taken into custody and receives a consequence.” “Gotaways” are defined as, “a subject who, after making an illegal entry, is not turned back or apprehended and is no longer being actively pursued by Border Patrol agents.” “Turnbacks” are defined as, “a subject who, after making an illegal entry into the US, returns to the country from which he/she entered, not resulting in an apprehension or gotaway.”

Apprehension, “gotaway”, and “turnback” data is captured by Border Patrol agents at the station level and entered into the following systems:

- Apprehensions are entered into the e3 Processing (e3) system. All data entered via e3 resides in the Enforcement Integrated Database (EID), the official system of record for this data, which is under the purview of the Border Patrol Headquarters Statistics and Data Integrity (SDI) Unit. The physical database is owned and maintained by Immigrations and Customs Enforcement (ICE).
- “Gotaways” and “turnbacks” are entered into the CBP Enforcement Tracking System 1 (BPETS1), which resides with the Office of Border Patrol. BPETS1 is under the purview of and is owned by the Enforcement Systems Unit.

Apprehension data is entered into e3 by Border Patrol agents (BPAs) at the station level as part of the standardized processing procedure. BPAs use standard definitions for determining when to report a subject as a “gotaway” or “turnback”. Some subjects can be observed directly as evading apprehension or turning back; others are acknowledged as “gotaways” or “turnbacks” after BPAs follow evidence that indicate entries have occurred, such as foot sign, sensor activations, interviews with apprehended subjects, camera views, communication between and among stations and sectors, and other information. Data input into the BPETS1 system occurs at the station level. The e3 Processing application and BPETS1 are used continuously to document apprehension, “gotaway”, and “turnback” data.

Patrol Agents in Charge ensure all agents are aware of and utilize proper definitions for apprehensions, “gotaways” and “turnbacks” at their respective stations and also ensure the necessary communication takes place between and among sectors and stations to ensure accurate documentation of subjects who may have crossed more than one station's area of responsibility. In addition to station level safeguards, the HQ Statistics and Data Integrity (SDI) Unit validates data integrity by utilizing various data quality

reports. Data issues are corrected at the headquarters level, or forwarded to the original inputting station for correction. All statistical information requested from within DHS, USBP, or external sources are routed through the centralized HQ office within USBP. The SDI Unit coordinates with these entities to ensure accurate data analysis and output.



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Appendix A Report Distribution

Department of Homeland Security

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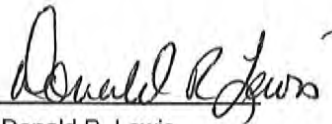
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Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

Prior Year Drug Control Obligations

		Obligations (in Millions)
		FY 2014
Drug Resources by Function		
Investigations		\$44.189
State & Local Assistance		\$1.629
International		\$0.398
Total Drug Resources by Function		\$46.215
Drug Resources by Decision Unit		
Salaries & Expenses		\$46.215
Total Drug Resources by Decision Unit		\$46.215
Drug Resources Personnel Summary		
Total FTEs (direct only)		223
Drug Resources as a Percent of Budget		
Total Agency Budget (in billions)		\$ 0.259
Drug Resources Percentage		18.0%

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

11/27/2015
Date

The Drug Resources as a Percent of Budget is computed as follows:

Obligations	FY	Budget Authority		
\$46,215	FY2014	\$257,430	$46215/257430=$	18.0%

**ONDCP PERFORMANCE SUMMARY REPORT
FY 2014**

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 90 Federal Partner 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.

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, "The FLETC's counterdrug-related basic skills training (i.e., Drug Recognition, Clandestine Laboratory Safety Awareness, Marijuana Cultivation Investigations, etc.) meets my agency's identified training needs," was added to the FY 2012 Partner Organization Satisfaction Survey. The data collected for this new statement will be used to support the President's National Drug Control Strategy by assessing Partner Organization satisfaction with counterdrug-related basic skills training the FLETC provides to their law enforcement officers and agents. FLETC Partner 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 2014
Outcome: Percent of Partner Organizations that agree the Federal Law Enforcement Training Centers counterdrug-related training meets identified training needs	Target	82%
	Actual	100%

Prior to establishing a specific counterdrug performance measure, the FLETC utilized the performance measure below, which reflects the satisfaction of Partner 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 2014
Outcome: Percent of Partner Organizations satisfied with the training provided by the Federal Law Enforcement Training Centers	Target	97%
	Actual	93%

1. Performance reporting systems are appropriate and applied

The performance data is collected from the FLETC Partner Organization Satisfaction Survey administered via Vovici, a web-based survey program which tabulates and calculates the survey results using a modified six-point Likert rating scale, which is named after psychologist Rensis Likert and is commonly used to measure opinions or attitudes. The PO representative from each Partner Organization provides responses to the survey through Vovici and saves the responses online when the survey is completed. FLETC program personnel import the survey data as saved by survey respondents from Vovici into the Statistical Package for the Social Sciences, a software package used for statistical data analysis, to generate descriptive statistics and then into MS Excel to generate data charts and tables. The percent is calculated as the total number of Partner Organizations that responded "Strongly Agree" or "Agree" to the statement, "The FLETC's counterdrug-related basic skills training (i.e., Drug Recognition, Clandestine Laboratory Safety Awareness, Marijuana Cultivation Investigations, etc.) meets my agency's identified training needs", divided by the number of Partner Organizations that responded to the above statement. Partner Organizations that respond "Not Applicable" to the above statement are excluded from the calculations of this measure.

2. Explanations for not meeting performance targets are reasonable

Partner Organizations indicated decreased satisfaction with their perceived level of inclusion, contribution and partnership with the FLETC. Training programs that meet end-users needs are important to our nation's safety and security. The FLETC is committed to providing the best training possible to all law enforcement organizations that we serve by establishing and maintaining a robust process to examine law enforcement trends and emerging issues.

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, we informally held discussions with a sampling of Partner 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 will be evaluated and adjusted as necessary.

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

FLETC has one acceptable ONDCP specific performance measure.

**Review of U.S.
Immigration and Customs
Enforcement's
FY 2014 Drug Control
Performance Summary
Report**





HIGHLIGHTS

Review of U.S. Immigration and Customs Enforcement's FY 2014 Drug Control Performance Summary Report

January 23, 2015

Why We Did This

The Office of National Drug Control Policy's (ONDCP) circular, *Accounting of Drug Control Funding and Performance Summary*, requires National Drug Control Program agencies to submit to the ONDCP Director, not later than February 1 of each year, a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. The Office of Inspector General (OIG) is required to conduct a review of the agency's submission and provide a conclusion about the reliability of each assertion in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 254-4100, or email us at DHS-IG.OfficePublicAffairs@oig.dhs.gov

What We Found

KPMG LLP, under contract with the Department of Homeland Security OIG, issued an Independent Accountants' Report on the U.S. Immigration and Customs Enforcement's (ICE) fiscal year (FY) 2014 Drug Control Performance Summary Report. ICE management prepared the Performance Summary Report and related disclosures to comply with the requirements of ONDCP's circular, *Accounting of Drug Control Funding and Performance Summary* (Circular), dated January 18, 2013. Based on its review, nothing came to KPMG LLP's attention that caused it to believe that the Performance Summary Report for the year ended September 30, 2014, is not presented, in all material respects, in conformity with the criteria in the ONDCP Circular. KPMG LLP did not make any recommendations as a result of its review.



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

JAN 23 2015

TO: Radha C. Sekar
Executive Associate Director Management and Administration
U.S. Immigration and Customs Enforcement

FROM: Mark Bell *Mark Bell*
Assistant Inspector General for Audits

SUBJECT: *Review of U.S. Immigration and Customs Enforcement's FY 2014
Drug Control Performance Summary Report
Report Number OIG-15-23*

Attached for your information is our final report, *Review of U.S. Immigration and Customs Enforcement's FY 2014 Drug Control Performance Summary Report*. U.S. Immigration and Customs Enforcement (ICE) management prepared the Performance Summary Report and related disclosures to comply with the requirements of the Office of National Drug Control Policy's circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013.

We contracted with the independent public accounting firm, KPMG LLP (KPMG), to review ICE's Drug Control Performance Summary Report. KPMG is responsible for the attached Independent Accountants' Report of its review, dated January 20, 2015, and the conclusions expressed in it. KPMG's report contains no recommendations. We do not express an opinion on ICE's Drug Control Performance Summary Report.

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

Please call me with any questions, or your staff may contact Don Bumgardner, Acting Deputy Assistant Inspector General for Audits, at (202) 254-4100.

Attachment



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Accountants' Report

Inspector General
U.S. Department of Homeland Security:

We have reviewed the accompanying Performance Summary Report of the U.S. Department of Homeland Security's (DHS) Immigration and Customs Enforcement (ICE) for the year ended September 30, 2014. ICE's management is responsible for the Performance Summary Report.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of ICE prepared the Performance Summary Report to comply with the requirements of the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 (the Circular).

Based on our review, nothing came to our attention that caused us to believe that the Performance Summary Report for the year ended September 30, 2014, referred to above, is not presented, in all material respects, in conformity with the criteria set forth in the Circular.

This report is intended solely for the information and use of management of DHS and ICE, the DHS Inspector General, 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.

KPMG LLP

January 20, 2015

Office of the Chief Financial Officer

U.S. Department of Homeland Security
500 12th Street, SW
Washington, D.C. 20536



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

January 20, 2015

Mr. Mark Bell
Assistant Inspector General for Audit
U.S. Department of Homeland Security
Office of the Inspector General
1120 Vermont Avenue NW, 10th Floor
Washington, DC 20005

Dear Mr. Bell,

In accordance with the Office of the National Drug Control Policy circular, Drug Control Accounting, dated January 18, 2013, enclosed is Immigration and Customs Enforcement's report of FY 2014 drug performance metrics and targets.

If you require further assistance on this information, please contact Matthew Moden at (202) 732-4398.

Sincerely,

Handwritten signature of Sabrina Jones in blue ink.

Sabrina Jones

Acting Director, Office of Budget and Program Performance
U.S. Immigration and Customs Enforcement

**U.S. Department of Homeland Security
U.S. Immigration and Customs Enforcement**

**Performance Summary Report of Drug Control Funds during FY 2014
International Operations**

Metric 1: Percentage of Overseas Investigative Hours Spent on Drug-Related Cases.

Fiscal Year	Target	Actual
2010	4.00%	4.90%
2011	4.50%	6.30%
2012	5.00%	6.30%
2013	6.30%	8.11%
2014	6.90%	8.32%
2015	7.58%	

(1) Description

The outcome metric for International Operations as a whole is the percentage of overseas investigative hours spent on drug-related cases. This metric evaluates the percentage of Immigration and Customs Enforcement's (ICE) overall overseas investigations that impact counter-narcotics enforcement.

ICE's Homeland Security Investigations (HSI) International Operations supports U.S. drug control policy, specifically Office of National Drug Control Policy (ONDCP) initiatives, by supporting the overall ICE mandate to detect, disrupt, and dismantle smuggling organizations. Increased hours spent on drug-related cases directly lead to increased detection, disruption and dismantlement of drug smuggling organizations. International Operations' investigative resources are directed at organizations smuggling contraband (including narcotics) into the United States. International Operations 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 International Operations. It is, in some cases, put into Senior Executive Service (SES) performance plans, and is also tracked at a high managerial level by way of processes such as HSI Transparency/Results/Accountability/Knowledge (TRAK), ICE TRAK, programmatic monitoring, financial monitoring and quarterly expenditure report

HSI releases the attached information with the understanding that the requestor will only utilize such information for the purpose stated in the request. Prior to using the information for any other purpose, or release to a third party, the requestor should inform and seek approval from HSI.

(2) Actual Performance Results for FY 2014

In FY 2014, 8.32% of overseas investigative case hours were spent on drug-related cases, exceeding the target of 6.90%. The percentage of overseas investigative hours spent on drug-related cases is derived by dividing the drug-related case hours by the total investigative case hours of overseas agents. To calculate a dollar amount, this percentage is applied to actual obligations incurred by HSI against budget authority gain in FY 2014, excluding reimbursable authority.

3) The Performance target for FY 2015

The performance target for FY 2015 is 7.58%, a target based on the average three prior years' performance results. In establishing this metric, International Operations 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 International Operations performance data is the Treasury Enforcement Communication System (TECS), which is ICE's automated case management system that records investigative hours. International Operations relies on TECS to ensure the performance data is accurate, complete, and unbiased in presentation and substance. ICE conducts quality control verification on all data received through TECS to ensure the performance data is accurate, complete, and unbiased in presentation and substance.

**Performance Summary Report of Drug Control Funds during FY 2014
Intelligence**

Metric 1: Number of counter-narcotics intelligence requests satisfied.

Fiscal Year	Target	Actual
2010	1,200	338
2011	796	2,721
2012	3,500	552
2013	560	656
2014	656	686
2015	686	

HSI releases the attached information with the understanding that the requestor will only utilize such information for the purpose stated in the request. Prior to using the information for any other purpose, or release to a third party, the requestor should inform and seek approval from HSI.

(1) Description

Intelligence supports its customers by satisfying their intelligence requirements – providing 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). Levied requirements are then 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 that satisfying customer requirements closes the gap in their 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, but is also tracked at a high managerial level via such processes as HSI TRAK, ICE TRAK, programmatic monitoring, financial monitoring and quarterly expenditure reports.

An Intelligence Information Report (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. At the end of fiscal year (FY) 2014, the ICE Intelligence Program (to include HSI-Intel at headquarters (HQ) and the Special Agent in Charge (SAC) Intelligence Programs in the field) produced a total of four hundred and seventy-four (474) IIR products that were counter-narcotics related.

The Analytical Framework for Intelligence (AFI) allows 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. At the end of fiscal year (FY) 2014, the ICE Intelligence Program (to include HSI-Intel at HQs and the SAC Intelligence Programs in the field) produced a total of two hundred and twelve (212) AFI products that were counter-narcotics related.

(2) Actual performance results for FY 2014

In FY 2014, the ICE Intelligence Program, to include HSI-Intel at HQs and the SAC Intelligence Program in the field, produced a total of six hundred eighty-six (686) counter-narcotic related products. A total of four hundred seventy-four (474) were IIR counter-narcotic INTEL products and a total of two hundred and twelve (212) were AFI counter-narcotic INTEL products. As of FY 2014, HSI Intelligence Program has **cumulatively** produced a total of six hundred twenty-two (686) counter-narcotic products, therefore exceeding the six hundred fifty-six (656) targeted measure.

HSI releases the attached information with the understanding that the requestor will only utilize such information for the purpose stated in the request. Prior to using the information for any other purpose, or release to a third party, the requestor should inform and seek approval from HSI.

(3) Performance target for FY 2015

The performance target for FY 2015 is six hundred and eighty-six (686) counter-narcotics intelligence requests satisfied. The target is based on the prior year actual data. The AFI HSI Intelligence Program data team is working to expand the user community of AFI to all DHS components. By expanding the use of AFI agency-wide it is anticipated that the counter-narcotic products reported in AFI will continue to increase each year. ICE Intelligence is examining other ways to create more robust performance measures in the area of drug enforcement, to include intelligence production metrics based on drug related intelligence hours recorded in TECS.

(4) Quality of performance data

Databases used to validate Intelligence's performance data are TECS, IIR and the AFI. Intelligence conducts quality control verification on TECS, IIR and the AFI data to ensure the performance data is accurate and unbiased in presentation and substance. Furthermore, ICE Intelligence is implementing Meta data items to AFI that will group data distinctly into either HSI Domestic or HSI International increasing the accuracy of the data provided.

Performance Summary Report of Drug Control Funds during FY 2014 Domestic Investigations

Metric 1: Percentage of significant high-risk transnational criminal investigations that result in a disruption or dismantlement.

Fiscal Year	Target	Actual
2012	16.0%	18.0%
2013	18.0%	31.8%
2014	19.0%	42.24%
2015	36.7%	

(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

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disruption or dismantlement.” 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 a Significant Case Review (SCR) panel. The SCR panel reviews enforcement actions and examines each submission of the criminal investigative elements that are being presented to ensure that it 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 to the point that the organization is incapable of reconstituting itself.

As this performance metric was implemented in 2012, ICE does not have performance data for years prior to FY 2012 and is unable to report four years of performance data as required by ONDCP Circular: Accounting of Drug Control Funding and Performance Summary, Section 7.a.(2), dated January 18, 2013.

(2) Actual performance results for FY 2014

In FY 2014, the actual percentage for the reportable Government Performance and Results Act (GPRA) metric is 42.24%; therefore exceeding the GPRA target of 19.0%. Due to more effective communication of the importance of the metric throughout the organization, HSI agents began entering their congruent disruption and/or dismantlement into TECS from their HQ approved significant investigations (from the reformed SCR module inputted into TECS). The influx of the disruption and/or dismantlement entries caused a significant spike in the FY 2014 actual results.

(3) Performance target for FY 2015

The performance target for FY 2015 is 36.7%. 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 following performance targets were created using historical trends assuming the patterns will continue in the near future. The following performance measures for Homeland Security Investigations for fiscal year 2015 were calculated using actual historical significant investigation performance results since program inception (fiscal year 2011) using the following methodology:

- 1) The number of cases with repeat occurrences (this represents cases with disruptions and a dismantlement) is divided by the number of unique case identifiers (representing the number of initial significant cases opened) to get an approximate estimate of the percentage of significant cases that have resulted in either a disruption or a dismantlement. However, since not all such cases will have been approved at any one time, the result of this first step is multiplied by the significant case approval ratio calculated below in step 2.
- 2) The significant case approval ratio is calculated by dividing the number of vetted and approved significant case submissions (including all disruptions and dismantlements) by the number of vetted

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significant investigations. By multiplying steps 1 and 2, the percentage of significant cases that have been initiated that have resulted in either a Disruption or a Dismantlement is determined. By using the approval ratio HSI quantitatively accounts for both the quantity and quality that speaks to the validity of the submissions.

(4) Quality of performance data

The database used to validate Domestic Investigations performance data is TECS. Domestic Investigations relies on TECS to ensure the performance data are accurate, complete, and unbiased in presentation and substance. Domestic Investigations conducts quality control verification on all data received through TECS to ensure the performance data are accurate, complete, and unbiased in presentation and substance.

Metric 2: Percent of transnational drug investigations resulting in the disruption or dismantlement of high threat transnational drug trafficking organizations or individuals

Fiscal Year	Target	Actual
2012	11.0%	12.0%
2013	12.0%	42.6%
2014	44.0%	45.0%
2015	29.0%	

(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. The wording of the metric was revised in FY 2013 as a part of the strategic measures presented to Office of Management and Budget. 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 pre-defined set of criteria and are reviewed by a SCR panel. The SCR panel reviews enforcement actions and examines each submission to ensure that it meets the requirement of a disruption or a 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 to the point that the organization is incapable of reconstituting itself. 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.

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As this performance metric was implemented in 2012, ICE does not have performance data for years prior to FY 2012 and is unable to report four years of performance data as required by the ONDCP Circular: Accounting of Drug Control Funding and Performance Summary, Section 7.a.(2), dated January 18, 2013.

(2) Actual performance results for FY 2014

In FY 2014, 45.0% of significant high-risk counter-narcotic, illicit trade, travel and finance investigations resulted in a disruption or dismantlement. Therefore exceeding the FY 2014 target of 44.0%.

(3) Performance target for FY 2015

The performance target for FY 2015 is 29.0%. The target is based upon the Future Year Homeland Security Program (FYHSP) requirements. In establishing this metric, Domestic Investigations 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 validate Domestic Investigations performance data is TECS. Domestic Investigations relies on TECS to ensure the performance data is accurate, complete, and unbiased in presentation and substance. Domestic Investigations conducts quality control verification on all data received through TECS to ensure the performance data are accurate, complete, and unbiased in presentation and substance. ICE conducted the implemented verification and validation with an independent auditor, for the above metric to ensure the quality of the metric. The metric was evaluated on a 12 criteria score to ensure the reliability of and validity of the performance measure. The Independent Review Team had no recommendations to improve the metric and yielded the measure was aligned with the DHS strategic goals and objectives.

ICE Management Assertion Report

Management Assertions

1. Performance reporting system is appropriate and applied.

ICE uses TECS, IIR and AFI investigative and intelligence case tracking systems of record to capture performance information. TECS, IIR and AFI data is well-documented, accurately maintained, and reliable, and those systems were properly applied to generate the most recent performance data available for the FY 2014 performance period.

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2. Explanations for not meeting performance targets are reasonable.

In FY 2014, ICE actuals met and exceeded all performance targets

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

The methodology described above to establish performance targets for FY 2014 is reasonable given past performance and available resources.

4. Adequate performance metrics exist for all significant drug control activities.

ICE has established more than one acceptable performance metric for its Drug Control Decision Unit—Salaries and Expense. These measures were developed in consideration and support of the ONDCP National Counter Narcotics Strategy as well as DHS and ICE Strategic plan objectives and initiatives.

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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
\$47.2M	\$53.7M	\$39.8M	\$41.4M	\$46.2M

Statistic 2: Dollar value of seized currency and monetary instruments from drug operations.

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
\$115.2 M	\$232.4 M	\$155.7 M	\$1.05 B	\$192.7M

HSI releases the attached information with the understanding that the requestor will only utilize such information for the purpose stated in the request. Prior to using the information for any other purpose, or release to a third party, the requestor should inform and seek approval from HSI.

Statistic 3: Percentage of total cocaine seizures considered high impact.

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
60%	54%	49%	46%	44%

Statistic 4: Percentage of heroin seizures considered high impact.

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
71%	68%	54%	52%	47%

Statistic 5: Percentage of marijuana seizures considered high impact.

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
57%	48%	43%	36%	35%

Statistic 6: Percentage of methamphetamine seizures considered high impact.

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
56%	65%	63%	61%	62%

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OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Appendix A Report Distribution

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OFFICE OF INSPECTOR GENERAL

Review of U.S. Coast Guard's FY 2014 Drug Control Performance Summary Report



Homeland
Security

January 26, 2015
OIG-15-27



HIGHLIGHTS

Review of U.S. Coast Guard's FY 2014 Drug Control Performance Summary Report

January 26, 2015

Why We Did This

The Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, requires National Drug Control Program agencies to submit to the ONDCP Director, not later than February 1 of each year, a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. The Office of Inspector General (OIG) is required to conduct a review of the report and provide a conclusion about the reliability of each assertion made in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 254-4100, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

KPMG LLP, under contract with the Department of Homeland Security OIG, issued an Independent Accountants' Report on the U.S. Coast Guard's (Coast Guard) fiscal year 2014 Drug Control Performance Summary Report. Coast Guard management prepared the Performance Summary Report and related disclosures to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary* (Circular), dated January 18, 2013. Based on its review, nothing came to KPMG LLP's attention that caused it to believe that the Performance Summary Report for the year ended September 30, 2014, is not presented, in all material respects, in conformity with the criteria in the ONDCP Circular. KPMG LLP did not make any recommendations as a result of its review.



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

JAN 26 2015

TO: Rear Admiral Todd A. Sokalzuk
Chief Financial Officer
U.S. Coast Guard

FROM: Mark Bell 
Assistant Inspector General for Audits

SUBJECT: *Review of U.S. Coast Guard's FY 2014 Drug Control Performance Summary Report, Report Number OIG-15-27*

Attached for your information is our final report, *Review of U.S. Coast Guard's FY 2014 Drug Control Performance Summary Report*. Coast Guard management prepared the Performance Summary Report and related disclosures to comply with the requirements of the Office of National Drug Control Policy's circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013.

We contracted with the independent public accounting firm, KPMG LLP (KPMG), to review Coast Guard's Drug Control Performance Summary Report. KPMG is responsible for the attached Independent Accountants' Report of its review, dated January 20, 2015, and the conclusions expressed in it. KPMG's report contains no recommendations.

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

Please call me with any questions, or your staff may contact Don Bumgardner, Acting Deputy Assistant Inspector General for Audits, at (202) 254-4100.

Attachment



KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Accountants' Report

Inspector General
U.S. Department of Homeland Security:

We have reviewed the accompanying Performance Summary Report of the U.S. Department of Homeland Security's (DHS) United States Coast Guard (Coast Guard) for the year ended September 30, 2014. Coast Guard's management is responsible for the Performance Summary Report.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of Coast Guard prepared the Performance Summary Report to comply with the requirements of the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 (the Circular).

Based on our review, nothing came to our attention that caused us to believe that the Performance Summary Report for the year ended September 30, 2014, referred to above, is not presented, in all material respects, in conformity with the criteria set forth in the Circular.

This report is intended solely for the information and use of management of DHS and Coast Guard, the DHS Inspector General, 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.

KPMG LLP

January 20, 2015

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

2703 Martin Luther King Jr. Ave SE
Washington, DC 20593-7318
Staff Symbol: DCO-81
Phone: (202) 372-2684
Email: Devin.L.Townsend@uscg.mil

16012
January 20, 2015

Mr. Mark Bell
Assistant Inspector General for Audits
Department of Homeland Security
Office of the Inspector General

Dear Mr. Bell,

In accordance with the Office of National Drug Control Policy Circular: *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, enclosed is the Coast Guard's final FY 2014 Performance Summary Report.

If you require further assistance on this information, please contact LCDR Devin Townsend, 202-372-2684.

Sincerely,

A handwritten signature in blue ink that reads "A. M. Sanders".

A. M. SANDERS
Commander, U.S. Coast Guard
Chief, Office of Performance Management &
Assessment

Enclosure (1) FY 2014 Performance Summary Report

Copy: DHS Budget Office

Drug Budget
United States Department of Homeland Security
United States Coast Guard
Performance Summary Report FY 2014

I. PERFORMANCE INFORMATION

NOTE: *Although the Coast Guard appropriation is apportioned along budget decision unit lines (i.e., Acquisitions, Construction & Improvements (AC&I), Operating Expenses (OE), Research Development Testing and Evaluation (RDT&E), and Reserve Training (RT)), 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.*

This section is based on Coast Guard data and agency 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 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 CBP. In carrying out this mission, the Coast Guard receives assistance from a variety of international and domestic partners including U.S. Department of Defense, 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 and transit 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 National Drug Control Strategy and the National Interdiction Command and Control Plan (NICCP), 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 primary outcome 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. that the Coast Guard removes, the less the supply of cocaine available for consumption in the U.S.

Performance Measure

Cocaine Removal Rate (Removal rate for cocaine from non-commercial vessels in the maritime Transit Zone). 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. 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 non-

commercial maritime flow of cocaine towards the U.S. is extracted from the interagency-validated Consolidated Counter Drug Database (CCDB).

Table 1: Performance Targets and Results (Cocaine Removal Rate)

Year:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Target:	18.5%	15.5%	16.5%	14.1%	13.9%	13.8%
Actual:	13.5%	11.6%	13.4%	15.3%	9.6%	N/A

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 diagnosed 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 include, but are not limited to:

- 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 U.S. Customs and Border Protection (CBP), U.S. Navy (USN) and Allied nations to support Detection and Monitoring in the Transit Zone;
- The availability of surface assets from the USN and Allied nations to support Detection and Monitoring in the Transit Zone;
- The availability of Coast Guard, USN, and Allied surface assets to support embarked Coast Guard Law Enforcement Detachments (LEDETs) to perform Interdiction and Apprehension activities;
- The availability, quality and timeliness of tactical intelligence; new or upgraded diplomatic and legal tools;
- The fielding of new capabilities (e.g. National Security Cutter, Fast Response Cutter, and Maritime Patrol Aircraft).

At the start of FY 2014, the Coast Guard operated under a Continuing Resolution based on FY 2013 enacted budget levels. In response the Coast Guard reduced its programmed operating hours, limiting the Coast Guard’s scheduled deployment of assets into the Transit Zone. Once the Coast Guard received full budget authority under the FY 2014 Consolidated Appropriation, the service ramped up operations to close the gap between the reduced scheduling and FY 2014 strategic commitment levels. The Coast Guard met its FY 2014 planned ship deployments target of 1,460 major cutter days. Coast Guard Maritime Patrol Aircraft (MPA) support to Joint Interagency Task Force South (JIATF-S) was within 7% of the 3,595 hour commitment. Airborne Use of Force (AUF) helicopter deployed days were within 10% of the 1,460 day commitment and Coast Guard LEDETs met all requests for deployments. The Coast Guard's reduced program operating hours referenced above directly contributed to the Coast Guard not meeting its commitments for AUF deployed days and MPA flight hours. Additionally, 127 MPA flight hours were repurposed to the Coast Guard International Ice Patrol mission in response to the severe FY 2014 iceberg season.

Quality of Performance Data

The Coast Guard continues to use the CCDB as its source for tracking cocaine movement

estimates. Data entered into the CCDB is validated through a quarterly, interagency vetting process. The CCDB 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. All data contained in the CCDB is deemed to be as accurate, complete and unbiased in presentation and substance as possible.

Table 2: Non-Commercial Maritime Cocaine Flow and Tonnage Removed (in Metric Tons)

Year:	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Flow:	682	652	796	577	945	N/A
Removed:	91.8	75.5	107.0	88.4	91.0	N/A

According to CCDB, the cocaine flow through the Transit Zone via non-commercial means increased in FY 2014 to 945 Metric Tons from 577 Metric Tons in FY 2013. The Coast Guard removed 91.0 Metric Tons of cocaine from the Transit Zone in FY 2014 equating to a 9.6% removal rate for non-commercial maritime cocaine flow. While the Coast Guard did not meet its performance target of removing 13.9% of non-commercial maritime cocaine flow, the Coast Guard increased the tonnage of cocaine removed over FY 2013. The higher level of maritime flow of cocaine had a greater impact on the missed FY 2014 target than did the level of effort provided by the Coast Guard and its partners.

At least annually, the Coast Guard’s Maritime Law Enforcement Program and Deputy Commandant for Operations’ Office of Performance Management and Assessment review historical information, observed trends, linear regression and future drivers for each mission area, as well as changes from budget impacts that may affect mission performance, and factor these into the establishment of out-year drug interdiction targets, making adjustments as necessary. Revisions to the targets are reported via the Department of Homeland Security’s Future Years Homeland Security Program (FYHSP) database. The Maritime Law Enforcement Program last updated its out-year performance targets in July 2014 in conjunction with normal target setting timelines.

Due to a forecasted reduction in the level of ship and aircraft support provided to JIATF-S by the USN in the near future, along with the Transnational Criminal Organizations use of increasingly more sophisticated smuggling modes and routes, and distributing their risk more by moving smaller cocaine load sizes, the Coast Guard’s removal rate target for FY 2015 has been lowered to 13.8%. This represents an aggressive, yet achievable, performance target with available resources.

II. MANAGEMENT’S ASSERTIONS

The following assertions, supported by the information presented above, satisfy the data, estimation methods, and reporting systems criteria outlined in paragraph 7.b. of the ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary* (January 18, 2013):

(1) **Performance reporting system is appropriate and applied** – The agency has a system to capture performance information accurately and that system was properly applied to generate the

performance data.

The Coast Guard performance reporting system is appropriate and applied. It was reviewed in a 2007 Independent Program Evaluation by the Center for Naval Analyses and a 2007 OMB Program Assessment Rating Tool (PART) evaluation. Both reviews verified the appropriateness and application of the performance reporting system, and the Coast Guard has made all significant changes recommended to ensure continued validity.

(2) Explanations for not meeting performance targets are reasonable – An assertion shall be made regarding the reasonableness of any explanation offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets or for revising targets or eliminating performance measures.

The Coast Guard did not meet its FY 2014 performance target. The explanations offered for failing to meet the target are reasonable. The Coast Guard's FY 2014 performance target satisfied OMB Circular A-11 guidance for establishing targets.

(3) Methodology to establish performance targets is reasonable and consistently applied – The methodology described above to establish performance targets for the current year is reasonable given past performance and available resources.

The Coast Guard methodology to establish performance targets is reasonable and applied. The Coast Guard uses a quantitative and qualitative process that reviews intelligence, logistics, strategic and operational policy, capability, emerging trends, past performance, and capacity variables impacting mission performance to establish performance targets. Targets generated by the program manager are reviewed independently by performance and budget oversight offices at Coast Guard Headquarters, as well as the DHS Office of Program Analysis and Evaluation, prior to entry into budget documents and the DHS FYHSP database.

(4) Adequate performance measures exist for all significant drug control activities – Each Report shall include an assertion that the agency has established at least one acceptable performance measure for each Drug Control Budget Decision Unit identified in reports required by section 6a(1)(A) for which a significant amount of obligations (\$1,000,000 or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure must reflect the intended purpose of the relevant National Drug Control Program activity.

The 2007 OMB PART of the Coast Guard Drug Interdiction Program and 2007 Independent Program Evaluation by the Center for Naval Analyses validated the adequacy of Coast Guard performance measures.

The agency has established one acceptable performance measure that covers all four budget decision units for which a significant amount of obligations (\$1,000,000 or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. The metric was also reviewed and approved by DHS leadership in 2010.



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Appendix A Report Distribution

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TAB G: Department of the Interior

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
OFFICE OF JUSTICE SERVICES**



***FY 2014 ONDCP
PERFORMANCE SUMMARY REPORT***

*Deputy Associate Director – Division of Drug Enforcement
Charles Addington*

Bravery, Integrity, Accountability

ONDCP Performance Summary Review

Performance Introduction

In 2014, the Bureau of Indian Affairs (BIA), Office of Justice Services (OJS) continued to see a wide range of drug activity on Indian lands throughout the United States. Information provided in this report reflects investigative activity on simple investigations as well as complex, conspiracy type, drug trafficking, investigations. BIA Division of Drug Enforcement (DDE) agents continue to refine their investigative talents leading to highly technical investigations such as court ordered Title III wire intercepts, Organized Crime Drug Enforcement Task Forces (OCDETF) cases, and Racketeer Influenced and Corrupt Organization (RICO) cases.

Indian Country saw a 38% increase in drug cases worked and a 44% increase in drug related arrests made in FY14. This is the result of the success BIA OJS has had in forming partnerships and providing technical assistance and training to Indian Country law enforcement. Aggressive marijuana eradication operations conducted in the Northwest part of the United States continued to show a decrease in marijuana cultivation again in FY14.

This report includes performance measures and achievements for the latest years for which data is available. Data was gathered and verified from the OJS crime statistics database and the DDE case log.

ONDCP Budget	FY 2012	FY 2013 with sequester	FY 2014	FY 2015	FY 2016
Function: Prevention					
J30 Criminal Investigations and Police Services			8,000,000	8,211,000	8,211,000
J33 Special Initiatives (Victim Assistance)	9,984,000	9,025,000	1,025,000	1,025,000	1,025,000
Substance Abuse - Meth Initiative	9,984,000	9,025,000	9,025,000	9,236,000	9,236,000
Function: Education					
J34 Indian Police Academy	505,050	480,000	480,000	480,000	480,000
TOTAL ALL Functions	10,489,050	9,505,000	9,505,000	9,716,000	9,716,000
Drug Resource Summary of Personnel					
Total FTE (Direct Only)	59	57	56	56	56

* FTE's in previous Performance Summary Review's did not include; School Resource Officers, Intelligence Analysts, Victim/Witness Specialists or Administrative Staff.

BIA Drug Initiative

FY 2016 Request: \$9.7 million

(Reflects no change from FY 2015)

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 2016, \$6.7 million in requested funding will support drug enforcement efforts that allow 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; surveilling criminals; 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.

The Drug Initiative is funded within the Law Enforcement sub activity. Eight areas comprise the Law Enforcement sub activity: 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. 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. Within BIA's Law Enforcement sub activity, funding is provided for initiatives involving drug enforcement.

One million dollars in funding will continue to support the School Resource Officer (SRO) program in FY16. The SRO program has proven to be an important part of the OJS drug initiative allowing interaction of officers and students in the student's environment. SRO's 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. These SRO's play a key role in providing a visual deterrent and identifying potential threats of school violence.

The Victim/Witness Services (VWS) program (\$1.0 million) provides needed support to cooperative witnesses and victims of violent and drug crimes. The protection of witnesses and victims is essential during drug investigations, and VWS can provide this needed attention to victims and witnesses at the local level when other resources are not available. Additionally, VWS staff provides guidance to tribes in developing their own VWS programs. VWS also includes an effort to assess existing victim/witness programs and expand them to all BIA law enforcement districts.

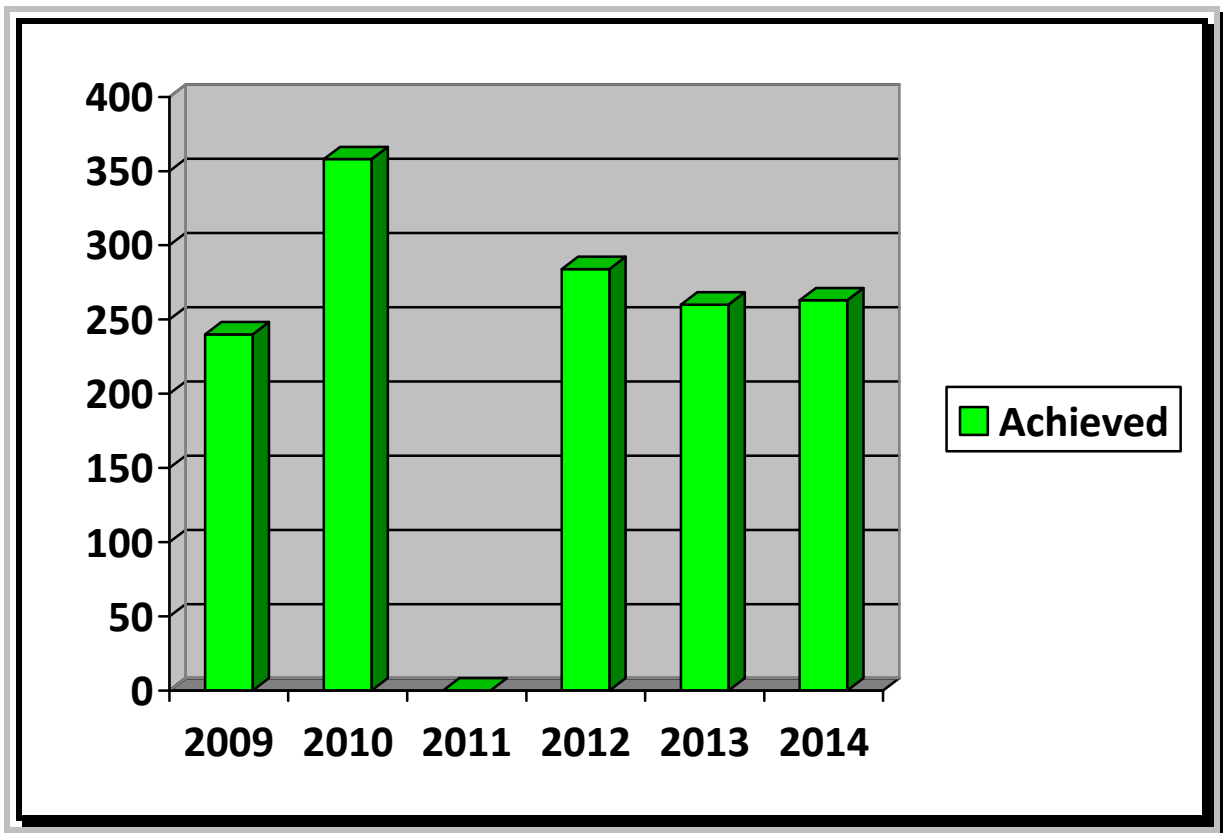
The budget request also provides \$0.5 million to support the Intelligence group tasked with intelligence gathering, reporting, and investigative support needed in all parts of Indian country for assistance in drug investigations. With this component, national, regional, and local threat assessments can be established in real time and presented to law enforcement agencies working on or near Indian country.

Performance Measure One: Number of Patrol Officers Receiving Drug Training

In 2014, the BIA Indian Police Academy had the following training numbers. One hundred eighty three (183) students graduated Basic Police Training with an introduction to drug awareness and investigations. Thirty (30) students graduated Advanced Drug Training. Fifteen (15) students graduated Basic Criminal Investigator Training with an introduction to drug awareness and investigations. Thirty-five (35) students graduated Basic Drug Training. Total law enforcement officers that received drug training from BIA OJS are 263.

2009 Achieved	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Achieved
240	358	*	284	260	263

** In 2011 drug training was reassigned to the Indian Police Academy.*

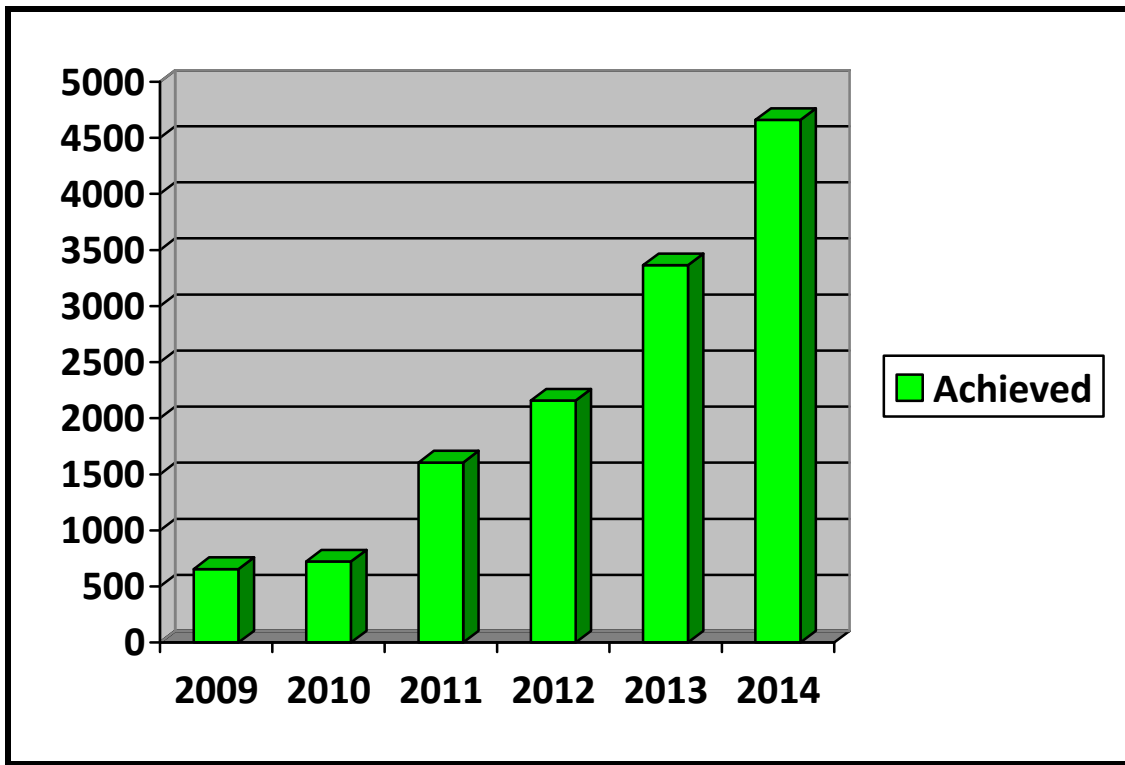


Performance Measure Two: Percent increase in drug cases worked

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 and from the BIA-DDE case log. Data provided by BIA and Tribal Police programs are entered into the OJS drug database system.

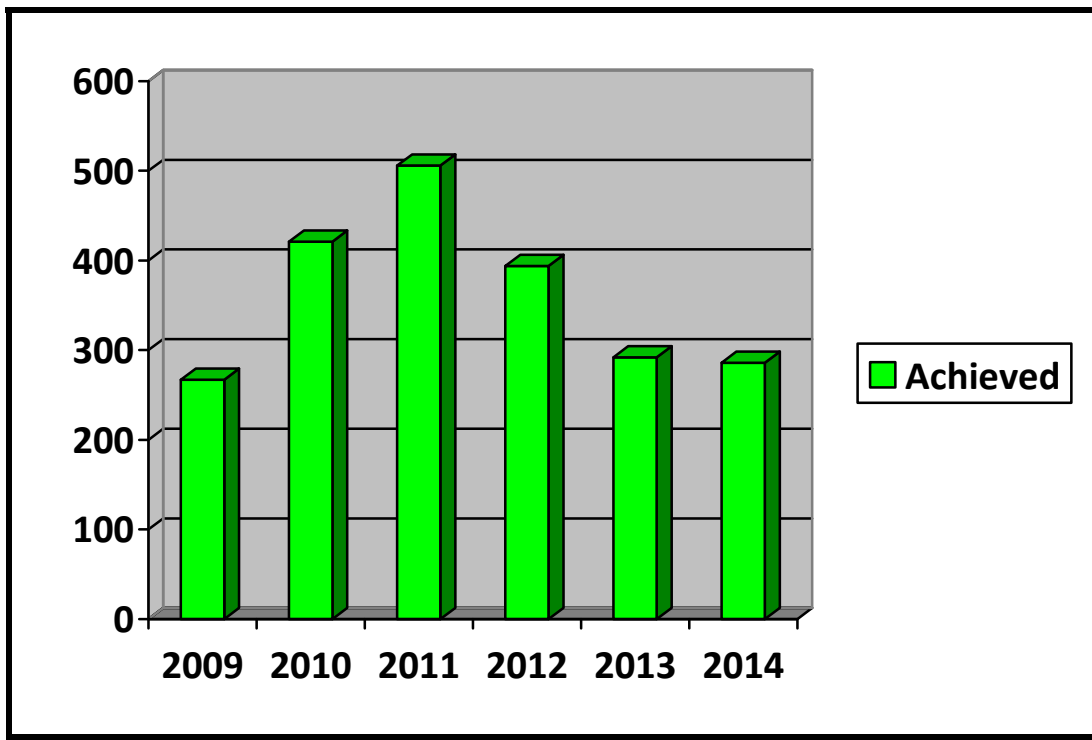
The following information documents the cases worked by **all Indian country law enforcement programs** (BIA-DDE, BIA, and Tribal). These figures demonstrate an overall **increase** of approximately **38%** in drug cases worked in Indian country in FY 2014.

2009 Achieved	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Proposed	2014 Achieved
656	722	1605	2157	3364	3550	4660



The following information documents the cases worked as reported by the **BIA-DDE**. These figures demonstrate an overall **decrease** of approximately **2%** in cases worked in FY 2014. The decrease is due primarily to the change in focus from working cases to providing direct technical assistance to the BIA and Tribal police departments, which resulted in a 38% increase in their drug cases worked and a 44% increase in drug related arrests.

2009 Achieved	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Proposed	2014 Achieved
267	421	506	394	292	285	286



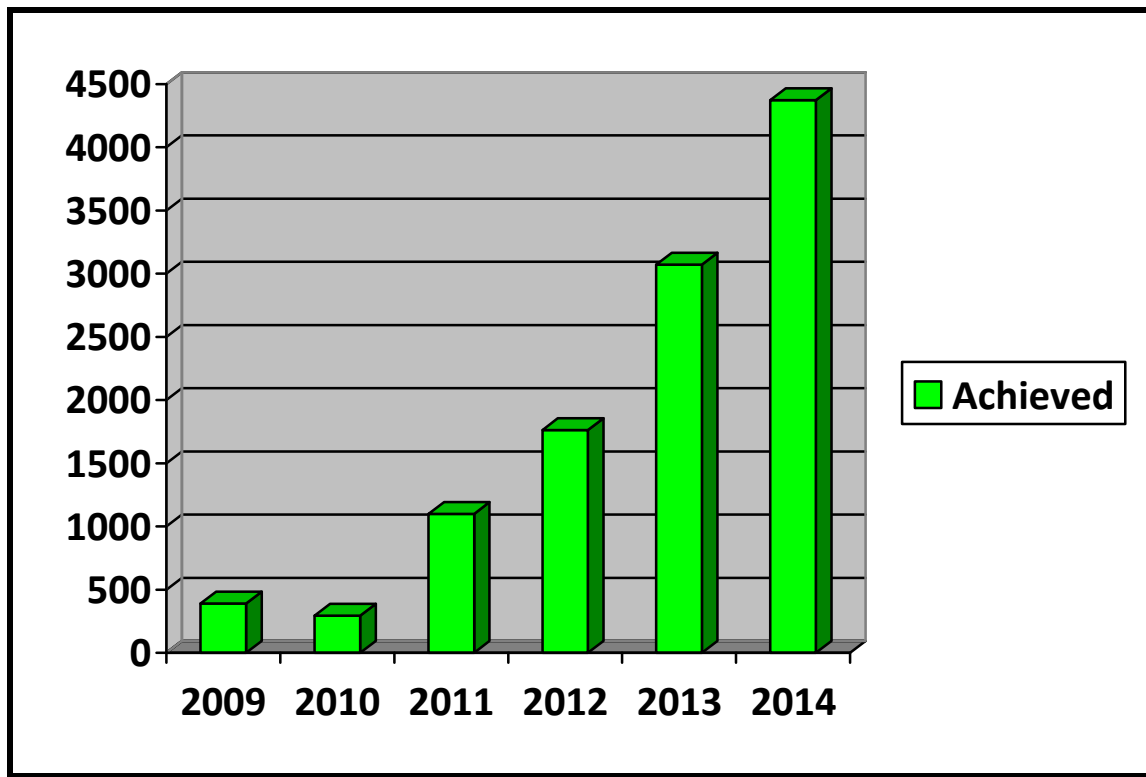
Performance Measure Three: Increase in the amount of cases closed by arrest, indictment or referral

DDE opened 286 cases in FY14, 158 of which were closed by arrest, indictment, or referral to another agency for a 55 percent closure rate. Open cases remain under active investigation. Of 286 cases opened, 268 investigations, or 93 percent of DDE investigations, occurred within reservation boundaries or upon trust/allotted lands. The remaining 7 percent of investigations held a direct nexus to Indian country.

2012 Baseline	2013 Achieved	2014 Proposed	2014 Achieved
51%	54%	55%	55%

The following information documents the cases worked as reported by **BIA and Tribal police departments**. These figures demonstrate an overall **increase** of approximately **42%** in cases worked in FY 2014.

2009 Achieved	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Proposed	2014 Achieved
389	295	1099	1763	3072	3,325	4,374



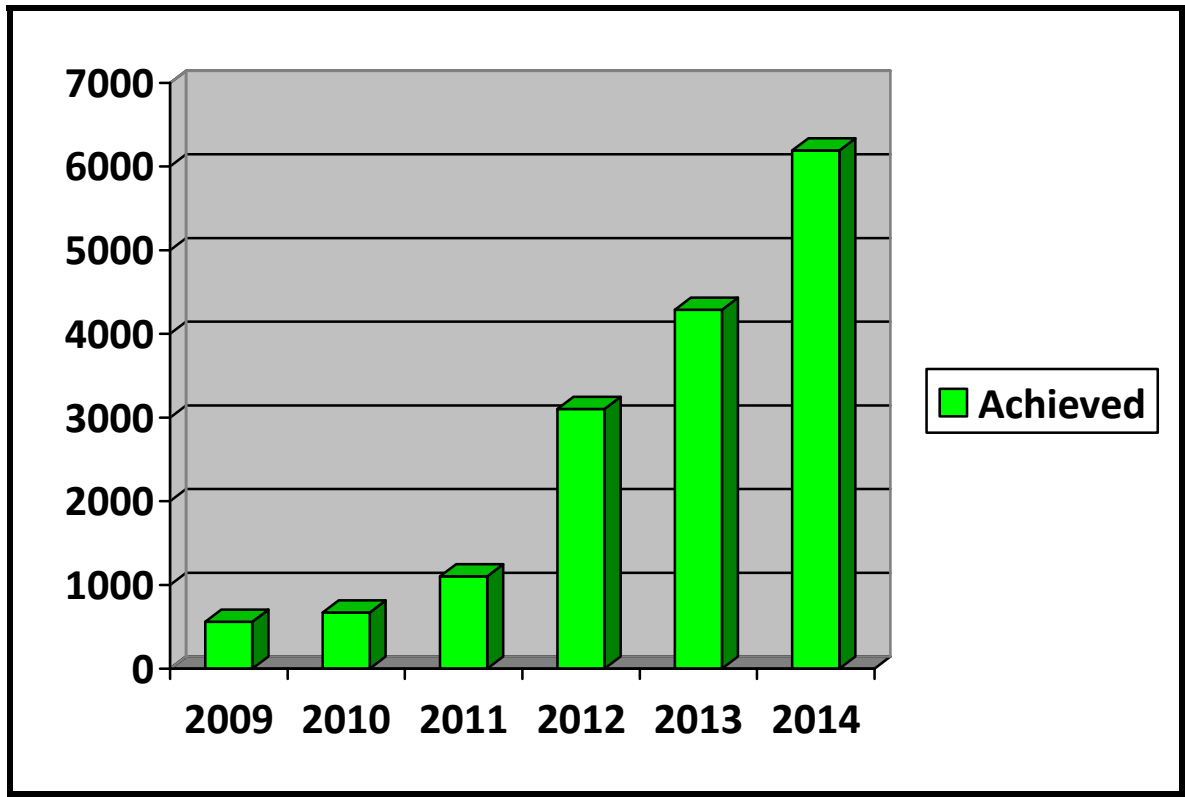
** The preceding information was obtained from the Lotus Notes drug database.*

The DDE has historically experienced challenges gathering accurate data using systems developed by the BIA IT division or its contractors. Information gathered for this report and the subsequent verification process have highlighted the need for an automated data collection system. In 2011, DDE developed a process to verify tribal drug data submissions, which continue to be reflected during this reporting period to ensure accurate data submission.

BIA Drug Enforcement Agents are responsible for managing drug investigations and providing direct technical assistance to programs necessary to reduce the effects of drugs and drug-related crime in Indian Country. Through this technical assistance and partnership formed there has been a constant increase in drug related arrests. FY 2014, drug related arrests increased more than 44% over the 2013 figures.

Percent increase in number of drug related arrests

2009 Achieved	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Proposed	2014 Achieved
559	671	1103	3104	4289	4505	6193



* The preceding information was obtained from the Lotus Notes drug database.

Performance Measure Four: Increase in the amount of drugs seized

The following information documents drug seizures accomplished by the combined efforts of BIA-DDE, BIA and Tribal Police programs. These figures submitted by the field programs demonstrate an overall **decrease** of approximately **44%** in total drugs seized by Indian Country Law Enforcement Programs in FY 2014.

BIA-DDE management reports marijuana eradication numbers represented approximately 69% of the decrease in FY2014 total drugs seized. Due to a focus on additional eradication efforts in the Northwest Region of the United States in the past few years, Indian Country saw a 69% decrease in plants seized. Although DDE’s efforts were successful in reducing marijuana cultivation in this region during the past few years, additional operations will continue to expand in FY15 to other regions of the US.

Overall, Indian Country saw a substantial increase in processed marijuana, prescription drugs and other drug seizures in FY14. Minus the marijuana eradication seizure numbers, Indian Country saw an overall **46% increase** in drug seizures for all other areas from FY13 totals.

2014 All Submissions					
Increase in Amount of Drugs Seized	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Achieved
<i>FY 2010, 11, 12, 13,14 achieved totals represented in pounds:</i>	44,759	90,772	41,231	48,320	26,830
Cocaine Powder	106.53	7.71	21.95	182.12	28.45
Cocaine Crack	8.28	.43	2.08	9.15	.541
Heroin	.08	.02	6.66	196.11	3.68
MDMA (Ecstasy)	.15	.22	.92	130.04	1.29
Meth Crystal	40.87	14.0	17.39	98.11	19.80
Meth Powder	.07	.14	3.65	83.3	11.20
Processed Marijuana	4,159	2,889	3,857	9,535	14,883
Prescription Drugs Seized	52.1	14.9	602.3	76.15	101.03
Other Drugs Seized	1.8	2.7	261.7	20.2	84.86
Marijuana (# Plants = lbs)	40,390	87,843	36,457	37,990	11,697

The following information demonstrates drug seizures accomplished by the BIA-DDE. These numbers were derived from the DDE case investigations logs, statistical reports and subtracted from the previous charts depicting the overall Indian country seizures. These figures submitted by the field programs demonstrate an overall **decrease** of approximately **66%** in drugs seized by the BIA-DDE in FY14. The decrease in drugs seized by DDE was contributed to DDE agents working more complex conspiracy and distribution cases that involved multiple suspects, spreading through multiple counties and sometimes through multiple states.

DDE conducted marijuana eradication operations in Northern California, Washington State and Wisconsin in FY14. The marijuana eradication numbers continued to decrease in FY14, contributing to the 62% of the decrease in FY2014 total drugs seized. DDE saw a substantial increase in prescription drugs and other drug seizures in FY14.

2014 BIA-DDE Only					
Increase in Amount of Drugs Seized	2010 Achieved	2011 Achieved	2012 Achieved	2013 Achieved	2014 Achieved
<i>FY 2010, 11, 12, 13,14 achieved totals represented in pounds:</i>	43,762.88	90,298	19,484	33,879	11,505
Cocaine Powder	105	7	20	5.12	.349
Cocaine Crack	8.1	.21	.021	.566	.035
Heroin	.08	.01	.01	.550	.671
MDMA (Ecstasy)	.12	.18	0	.686	.014
Meth Crystal	40	13	4	27.8	9.52
Meth Powder	.72	0	.03	.07	0
Processed Marijuana	3,384	2,874	3,573	9,319	2,172
Prescription Drugs Seized	.08	9	354	18.10	33.11
Other Drugs Seized	0	.3	54	10.13	27.34
Marijuana (# Plants = lbs)	40,223	87,394	15,477	24,497	9,262

* The preceding information was obtained from the Lotus Notes drug database and DDE case logs.

Program

The Bureau of Indian Affairs (BIA) mission is to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian tribes, and Alaskan Natives.

The BIA's Office of Justice Services (OJS) directly operates or funds law enforcement, tribal courts, and detention facilities on Federal Indian lands. The mission of the Office of Justice Services is to uphold tribal sovereignty and customs and provide for the safety of Indian communities by ensuring the protection of life and property, enforcing laws, maintaining justice and order, and by confining American Indian offenders in safe, secure, and humane environments.

FY14 Program Activity

In FY2014 BIA-DDE continued to be involved in drug trafficking conspiracy cases that resulted in numerous arrests across Indian Country. DDE Agents continued to work synthetic marijuana cases, which included the distribution of “bath salts”. In FY 2014, the BIA-DDE was also involved in multiple operations along the southwest border; in efforts to disrupt drug cartel trafficking routes through Indian Country.

In FY2014, BIA-DDE Agents also began to notice a large increase in narcotic trafficking and use in the northern states that are part of the Bakken oil field development. OJS attended numerous coordination meetings to discuss resources and strategies to address the growing increase in drug crimes in this area. OJS has added an additional DDE Agent position and relocated another DDE Agent to this region in efforts to address the elevated criminal activity.

In late FY14, BIA-DDE conducted an analysis of current drug trends on reservation throughout Indian Country. DDE used the identified crime trends to focus on 20 specific reservations with high drug statistics which will be the focus of a one week initial deployment of a Mobile Enforcement Team (MET). DDE began deploying the MET teams to the identified reservations which is designed to gather intelligence, develop informants and identify criminal drug enterprises operating in Indian Country. This effort has already derived very substantial drug related intelligence and was successful in the prosecution of drug and alcohol related crimes on numerous Reservations. The MET operations continued throughout FY14 and additional follow up will begin from intelligence derived from the deployments.

MANAGEMENT ASSERTIONS

1. Performance reporting systems are appropriate and applied –

The DDE continues to experience challenges gathering accurate data using systems developed by the BIA IT division or its contractors. Information gathered for this report and the subsequent verification process again highlighted the need for an automated data collection system. BIA is in the process of implementing a Records Management System for all BIA direct service programs.

2. Explanations for not meeting performance targets are reasonable –

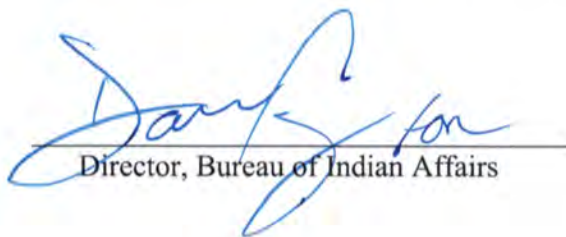
The target for cases worked specifically by the DDE was not met due to refocusing DDE agents on drug investigations and providing drug related technical assistance to tribal law enforcement programs. As the DDE evolves into a more sophisticated division working more complex drug investigations the additional time required to work these types of cases will limit the number of cases worked in a fiscal year. However, the overall drug cases worked in Indian Country increased in FY2014.

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

The targets were projected for FY 2014 based upon statistical data reviewed over the past two 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.



Director, Bureau of Indian Affairs

12-31-14
Date



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Office of Law Enforcement and Security
1849 C Street NW, Room 5641
Washington, D.C. 20240

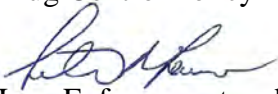


March 11, 2015

In Reply Refer To:
9260 (WO120) I

Memorandum

To: Director,
Office of National Drug Control Policy

From: Salvatore R. Lauro, 
Director, Office of Law Enforcement and Security

Subject: Fiscal Year 2014 Accounting and Performance Summary Report

In accordance with *ONDCP Circular: Accounting of Drug Control Funding and Performance Summary, January 18, 2013* (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 2014 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 Daniel Fowler, Deputy Director OLES, at 202-208-4819.

Attachment

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Office of Law Enforcement and Security**

- Accounting and Performance Summary Report Fiscal Year 2014 -

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 2014	
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 2014, the BLM maintained its drug enforcement efforts at the same level as FY 2013. 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 and Oregon; 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 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.

In FY 2014 the BLM saw a fifteen percent increase in the number of marijuana plants seized on public lands over the prior fiscal year. This was accompanied by consistently high quantities of processed marijuana seized on public lands (primarily near the Southwest Border). The narrative below details FY 2014 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 ¹						
FY 2009 Achieved	FY 2010 Achieved	FY 2011 Achieved	FY 2012 Achieved	FY 2013 Achieved	FY 2014 Target	FY 2014 Achieved
705,317	593,832	418,106	156,014	195,417	195,000	225,291

For the period FY 2009 through FY 2012, the Bureau saw a reduction in the total number of marijuana plants seized each year. In FY 2013, this downward trend was reversed as the Bureau saw a twenty-five percent increase in the number of marijuana plants seized on public lands. Targeted efforts resulted in a further increase of fifteen percent in FY 2014. This increase occurred principally in California. 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 State medical marijuana laws provide for the lawful cultivation of marijuana on private lands. Quantities of this lawfully cultivated marijuana are known to be diverted to sale for non-medical use. This unlawful sale of legally cultivated marijuana, combined with the public’s ability to lawfully cultivate marijuana for personal recreation and medicinal purposes, may be altering levels of market supply

¹ Data gathered through the LAWNET and IMARS incident reporting systems.

and demand, thereby prompting fluctuations in the quantity of marijuana being cultivated on public lands.

In addition to its direct marijuana cultivation interdiction efforts, the BLM also continues to place significant emphasis on deterring marijuana smuggling activities occurring on public lands situated within 100 miles of the Southwest Border. These smuggling activities, in addition to increasing the volume of marijuana trafficked within the U.S., are producing significant natural resource impacts and public safety concerns on public lands. These impacts are particularly prevalent within the Bureau’s Ironwood Forest and Sonoran Desert National Monuments. In an effort to deter these smuggling activities, the BLM established Operation Reclaim Our Arizona Monuments (ROAM); a multi-year operation designed to disrupt and deter smuggling operations on public lands, and repair smuggling-related environmental damage.

In FY 2014 a total of 11,076 pounds of processed marijuana were seized on public lands. This number is consistent with seizure levels for the previous fiscal year. While several factors are likely influencing consistently high seizure levels, the Bureau’s ongoing investment in Operation ROAM is believed to be a significant factor in this success.

Processed Marijuana (lbs) Seized on Public Lands²					
FY 2009 Achieved	FY 2010 Achieved	FY 2011 Achieved	FY 2012 Achieved	FY 2013 Achieved	FY 2014 Achieved
14,487	4,319	6,925	8,158	12,355	11,076

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.

² Data gathered through the LAWNET and IMARS incident reporting systems.

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., the ONDCP permits 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 currently bases its out-year target on the preceding fiscal year’s seizure level.

Adequate Performance Measures Exist for All Significant Drug Control Activities

The BLM has traditionally utilized a single measure (i.e. marijuana seizures) to capture performance considered to be reflective of its respective National Drug Control Program activities. In light of the fact there is currently no data on the total number of marijuana plants subject to seizure that are grown in the 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: “Accounting of Drug Control Funding and Performance Summary”, January 18, 2013, the BLM is hereby submitting this alternative report of drug control funding and performance for FY 2014. 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.



Salvatore R. Lauro

Director, Office of Law Enforcement and Security

ONDCP 2014 Accounting Report – National Park Service

Resource Summary

Prior Year Drug Control Obligations			FY2014
Function:	Prevention		
Please see Detailed FY14 Expenditure Report Below:			3,255
	FTE		27
	TOTAL:		3,255

**Full compliance with this Circular constitutes an unreasonable reporting burden. Obligations reported under this section constitute the statutorily required detailed accounting. The 3,255 total is 120k above the 3,135 appropriation. The increased amounts in the table below reflect NPS actual expenditures, to include an average of 2 additional FTEs.

Signature: _____

Title: _____

Date: _____

NPS Summary

	NOCA	PORE	SEKI*	WHIS	SAMO	REDW	YOSE*	ISB/WASO	TOTAL
<i>(thousands of dollars)</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>	<i>FY14 Enacted</i>
Investigative personnel salary, benefits, training, equipment, travel, and miscellaneous expenditures	0	0	98	0	0	0	0	0	0
Enforcement personnel salary, benefits, training, equipment, travel, and miscellaneous expenditures	199	460	475	380	322	305	445	0	0
Aircraft	2	0	20	0	0	0	8	0	0
Environmental clean-up	0	0	8	0	0	0	0	0	0
Agreements	0	0	0	0	0	0	0	0	0
Other expenditures	3	0	0	0	0	0	0	533	533
Total Expenditures	201	460	601	380	322	305	453	533	3,255
Total FTE									27

TAB H: Department of Justice



Office of the Inspector General
U.S. Department of Justice



Reviews of the Annual Accounting of Drug Control Funds and Related Performance Fiscal Year 2014

REVIEWS OF THE ANNUAL ACCOUNTING OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE FISCAL YEAR 2014

EXECUTIVE SUMMARY

This report contains the attestation review reports of the U.S. Department of Justice'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 annual accounting of drug control funds and related performance for the fiscal year ended September 30, 2014. The Office of the Inspector General performed the attestation reviews. The report and annual detailed accounting of funds obligated by each drug control program agency is 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 January 18, 2013. The Department of Justice components reviewed, reported approximately \$7.7 billion of drug control obligations and 23 related performance measures for fiscal year 2014.

The Office of the Inspector General prepared the attestation review reports in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination and, therefore, does not result in the expression of an opinion. We reported that nothing came to our attention that caused us to believe the submissions were not presented, in all material respects, in accordance with the requirements of the Office of National Drug Control Policy Circular, and as otherwise agreed to with the Office of National Drug Control Policy.

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**REVIEWS OF THE ANNUAL ACCOUNTING OF
DRUG CONTROL FUNDS AND RELATED PERFORMANCE
FISCAL YEAR 2014**

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REPORTS,
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ASSETS FORFEITURE FUND

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**Office of the Inspector General's Independent Report
on Annual Accounting of Drug Control Funds
and Related Performance**

Director
Assets Forfeiture Management Staff
U.S. Department of Justice

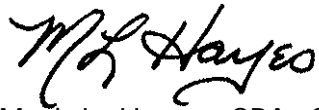
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information, of the U.S. Department of Justice's Assets Forfeiture Fund (AFF) for the fiscal year ended September 30, 2014. The AFF's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the AFF prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, flowing style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Assets Forfeiture Fund
Detailed Accounting Submission**

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U.S. Department of Justice
Justice Management Division
Asset Forfeiture Management Staff
145 N St., 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, 2014**

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 January 18, 2013, 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 2014.
4. The AFF did not have any ONDCP Fund Control Notices issued in FY 2014.

Kevin Arnwine, Assistant Director,
AFMS

Date

U.S. Department of Justice
Assets Forfeiture Fund
Detailed Accounting Submission
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2014
(Dollars in Millions)

Drug Obligations by Budget Decision Unit and Function:		FY 2014
Decision Unit #1: Asset Forfeiture		Actual Obligations
	Investigations	156.50
	State and Local Assistance	70.74
Total Asset Forfeiture		\$ 227.24
Total Drug Control Obligations		\$ 227.24

**U.S. Department of Justice
Assets Forfeiture Fund
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

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 a 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.

Disclosure 2: Methodology Modifications

There have been no changes to the drug methodology from the previous year. The drug methodology disclosed has been consistently applied from prior years.

Disclosure 3: Material Weaknesses or Other Findings

For the FY 2014 Financial Statements Audit, the Assets Forfeiture Fund (AFF)/Seized Asset Deposit Fund (SADF) received an unmodified audit opinion. The *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* noted a material weakness related to a need to improve the quality of AFF/SADF's overall financial management, specifically, the financial reporting process. This finding has an undetermined impact on the presentation of the AFF's drug-related budgetary resources and performance.

Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers that affected drug-related budgetary resources.

**Assets Forfeiture Fund
Performance Summary Report**

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U.S. Department of Justice
Justice Management Division
Asset Forfeiture Management Staff
145 N St., 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, 2014**

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 January 18, 2013, 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 target for FY 2014.
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.

Kevin Arnwine, Assistant Director,
AFMS

Date

**U.S. Department of Justice
Assets Forfeiture Fund
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

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 (AFF)/ and the Seized Asset Deposit Fund (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						
Performance Measure:	FY 2011	FY 2012	FY 2013	FY 2014		FY 2015
	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

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Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Assistant Attorney General
Criminal Division
U.S. Department of Justice

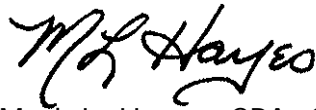
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information, of the U.S. Department of Justice's Criminal Division (CRM) for the fiscal year ended September 30, 2014. The CRM's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the CRM prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, flowing style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Criminal Division
Detailed Accounting Submission**

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U.S. Department of Justice


Criminal Division

Washington, D.C. 20530

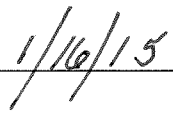
**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, 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 the 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 2014.
4. CRM did not have any ONDCP Fund Control Notices issued in FY 2014.



Tracy Melton, Acting Executive
Officer



Date

U.S. Department of Justice
Criminal Division
Detailed Accounting Submission
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2014
(Dollars in Millions)

Drug Obligations by Budget Decision Unit and Function:			FY 2014
Decision Unit: Enforcing Federal Criminal Laws			Actual Obligations
	Prosecution		39.44
Total Enforcing Federal Criminal Laws			\$ 39.44
Total Drug Control Obligations			\$ 39.44

**U.S. Department of Justice
Criminal Division
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

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. The 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:

- Narcotic and Dangerous Drug Section (NDDS)
- Office of Enforcement Operation (OEO)
- Office of International Affairs (OIA)
- Organized Crime and Gang Section (OCGS)
- Capital Case Section (CCS)
- Computer Crimes and Intellectual Property Section (CCIPS)
- Human Rights and Special Prosecutions Section (HRSP)
- International Criminal Investigative Training Assistance Program (ICITAP)
- Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT)
- Appellate Section (APP)
- Asset Forfeiture and Money Laundering Section (AFMLS)
- Office of Policy and Legislation (OPL)

Since the CRM's accounting system, DOJ's Financial Management Information System 2 (FMIS2), does not track obligation and expenditure data by ONDCP's drug functions, the 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 2014, the Division's drug resources as a percentage of its overall actual obligations were 22.73%.

Data – All accounting information for the CRM is derived from DOJ's FMIS2.

Financial Systems – FMIS2 is DOJ's financial system that provides CRM with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications were made to the methodology from the prior year.

Disclosure 3: Material Weaknesses or Other Findings

The CRM is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2014, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statement audit. The DOJ's consolidated FY 2014 *Independent Auditors' Report on Internal Control over Financial Reporting* revealed no material weaknesses.

Disclosure 4: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected the CRM's drug-related budgetary resources.

**Criminal Division
Performance Summary Report**

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U.S. Department of Justice

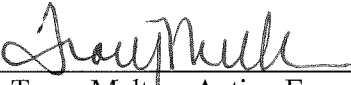
Criminal Division

Washington, D.C. 20530

**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the CRM system of performance reporting provides reasonable assurance that:

1. CRM uses the Automated Case Tracking System (ACTS), the Division's Performance Dashboard, the Mutual Legal Assistance Tracking System, and the Extradition Tracking System to capture performance information accurately and these systems were 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. 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.



Tracy Melton, Acting Executive
Officer



Date

**U.S. Department of Justice
Criminal Division
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

Performance Measure 1: Number of New Drug-Related Investigative 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 their 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 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
55	55	75	55	61	45

For FY 2015, NDDS’s target for the number of new drug-related investigative matters and cases is 45. This target was set based on historical trend analysis, in addition to the assumption of staffing and resources similar to FY 2014.

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, Section Chiefs/Office Directors or their designee are required to validate in the Division’s Performance Dashboard confirming that their Section/Office's ACTS performance data are valid. An email is automatically sent from the system to the Division’s Executive Officer recording this validation.

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 their 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 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
2,638	2,585	2,251	2,286	2,150	2,130

In FY 2014, OEO came within 6%, but did not reach its target, of reviewing 2,286 OCDETF Title III wiretaps. This workload is directly reactive to the number of incoming requests for OCDETF Title III approvals. The budgetary situation, along with furloughs, likely impacted law enforcement's ability to pursue greater numbers of Title III intercepts. While the number of applications reviewed decreased by a relatively small amount in FY 2014, applications reviewed by OEO have increased in substantive complexity. OEO has successfully handled increasingly complex requests that raise novel legal issues and implicate the use of emerging technologies. In addition, OEO now works with USAOs to ensure they have put in place appropriate mitigation measures where the Title III applications identify public safety risks. Finally, during FY 2014, OEO conducted an aggressive training and outreach to the field, which involved travel to more than 20 cities.

For FY 2015, OEO's target for the number of OCDETF Title III wiretaps reviewed is 2,130. This target was set based on historical trend analysis, in addition to the assumption of staffing and resources similar to FY 2014.

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, Section Chiefs/Office Directors or their designee are required to validate in the Division's Performance Dashboard confirming that their Section/Office's performance data are valid. An email is automatically sent from the system to the Division's Executive Officer.

Performance Measure 3: Number of Drug-Related Mutual Legal Assistance Treaties (MLAT) Requests Closed

The Criminal Division's Office of International Affairs (OIA) 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 their drug-related MLAT requests closed which is a measure of OIA's drug-related work during a fiscal year.

Number of Drug-Related Mutual Legal Assistance Treaties (MLAT) Requests Closed					
FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
244	237	192	N/A	106	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 the Mutual Legal Assistance Tracking System, including the 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, Section Chiefs/Office Directors or their designee are required to validate in the Division’s Performance Dashboard confirming that their Section/Office’s performance data are valid. An email is automatically 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 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 their 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 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
354	357	443	N/A	194	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 extradition requests are tracked in the Extradition Tracking System, including the 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, Section Chiefs/Office Directors or their designee are required to validate in the Division’s Performance Dashboard confirming that their Section/Office’s performance data are valid. An email is automatically sent from the system to the Division’s Executive Officer.

**DRUG ENFORCEMENT
ADMINISTRATION**

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**Office of the Inspector General's Independent Report
on Annual Accounting of Drug Control Funds
and Related Performance**

Administrator
Drug Enforcement Administration
U.S. Department of Justice

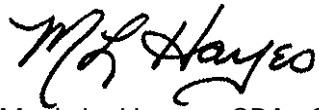
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information, of the U.S. Department of Justice's Drug Enforcement Administration (DEA) for the fiscal year ended September 30, 2014. The DEA's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the DEA prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, flowing style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Drug Enforcement Administration
Detailed Accounting Submission**

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www.dea.gov

**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

On the basis of the Drug Enforcement Administration's (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 January 18, 2013, we assert that the DEA 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 the DEA's accounting system of record for these budget decision units.
2. The drug methodology used by the DEA to calculate obligations of budgetary resources by function 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 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 2014.

Christinia K. Sisk, Acting 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, 2014
(Dollars in Millions)**

Drug Obligations by Budget Decision Unit and Function:	FY 2014 Actual Obligations
Diversion Control Fee Account	
Intelligence	\$ 7.85
Investigations	328.47
Total Diversion Control Fee Account	\$ 336.32
 Decision Unit #1: International Enforcement	
Intelligence	\$ 25.39
International	393.14
Prevention	0.07
Total International Enforcement	\$ 418.60
 Decision Unit #2: Domestic Enforcement	
Intelligence	\$ 167.71
International	1,511.47
Prevention	1.67
Total Domestic Enforcement	\$ 1,680.85
 State and Local Assistance	
State and Local Assistance	\$ 15.10
Total State and Local Assistance	\$ 15.10
 Total Drug Control Obligations	\$ 2,450.87
 High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 16.85

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013 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 Salaries & Expenses account (S&E). Although not appropriated funding, the DCFA as authorized by Congress is subject to all rules and limitations associated with Appropriations Law.

Data: All accounting data for the DEA are maintained in UFMS. UFMS tracks obligation and expenditure data by a variety of attributes, including fund type, allowance center, decision unit, and object class. One hundred percent of the DEA's efforts are related to drug enforcement.

Financial Systems: UFMS is the information system the DEA uses to track obligations and expenditures. Obligations derived from this system can also be reconciled against enacted appropriations and carryover balances.

Managerial Cost Accounting: The DEA uses allocation percentages generated by MCA to allocate resources associated with the DEA's four decision units to ONDCP's drug functions. The MCA model, using an activity-based costing methodology, provides the full cost of the DEA's mission outputs (performance costs). The table below shows the allocation percentages based on the DEA's MCA data.

The DEA Budget Decision Unit	Allocation	ONDCP Function
Diversion Control Fee Account	97.66%	Investigations
	2.33%	Intelligence
Domestic Enforcement	89.92%	Investigations
	9.98%	Intelligence
	0.10%	Prevention
International Enforcement	93.92%	International
	6.07%	Intelligence
State and Local Assistance	100.00%	State and Local Assistance

Decision Units: One hundred percent of the DEA’s total obligations by decision unit are associated with drug enforcement. This total is reported and tracked in UFMS.

Full Time Equivalent (FTE): One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA’s Direct FTE total for FY 2014, including S&E and DCFA appropriations, was 7,990 through pay period 19, ending October 3, 2014.

Transfers and Reimbursements: High Intensity Drug Trafficking Area (HIDTA) transfers and reimbursable obligations are excluded from the DEA’s Table of Drug Control Obligations since they are reported by other sources.

Disclosure 2: Methodology Modification

The DEA’s method for tracking drug enforcement resources has not been modified from the method approved in FY 2005. The DEA uses current MCA data to allocate FY 2014 obligations from four decision units to ONDCP’s drug functions.

Disclosure 3: Material Weaknesses and Other Findings

For FY 2014, the DEA was included in the Department of Justice (DOJ) consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ’s consolidated *FY 2014 Independent Auditor’s Report on Internal Control over Financial Reporting* revealed no material weaknesses.

In accordance with DOJ’s FY 2014 Federal Manager’s Financial Integrity Act (FMFIA) reporting requirements and the related FY 2014 OMB Circular A-123 assessments. No reportable conditions or material weaknesses in the design or operation of the controls and no system non-conformances are required to be reported.

In FY 2013, DEA reported a reportable condition in the area of transit subsidies because some employees’ subsidies had not been discontinued upon their separation from DEA. Results of FY 2014 testing supported that DEA implemented effective corrective actions, as testing identified no exceptions.

Disclosure 4: Reprogrammings and Transfers

There were no reprogrammings in FY 2014.

The DEA had several transfers during FY 2014 (see the attached Table of FY 2014 Reprogrammings and Transfers). There were two transfers from the Department of Justice (DOJ), Community Oriented Policing Services (COPS) program in the amount of \$10,000,000 to DEA's S&E No-Year account. Four transfers were from ONDCP's High Intensity Drug Trafficking Area (HIDTA) program for a total of \$15,410,832. One internal transfer of \$1,594,008 from DEA's FY 2009 unobligated S&E funding to the No-Year account. One transfer went out from DEA's unobligated FY 2013/2014 account of \$215,217 back to HIDTA.

Transfers under the Drug Resources by Function section in the Table of FY 2014 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, 2014
(Dollars in Millions)**

Drug Resources by Budget Decision Unit and Function:		Transfers-in	Transfers-out	Total
Decision Unit #1: International Enforcement				
	Intelligence	\$ 0.14	\$ -	\$ 0.14
	International	2.17	-	2.17
	Total International Enforcement	\$ 2.31	\$ -	\$ 2.31
Decision Unit #2: Domestic Enforcement				
	Intelligence	\$ 0.92	\$ -	\$ 0.92
	Investigations	8.35	-	8.35
	Prevention	0.01	-	0.01
	Total Domestic Enforcement	\$ 9.28	\$ -	\$ 9.28
	Total	\$ 11.59	\$ -	\$ 11.59
	High-Intensity Drug Trafficking Area (HIDTA) Transfers	\$ 15.40	\$ (0.21)	\$ 15.19

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**Drug Enforcement Administration
Performance Summary Report**

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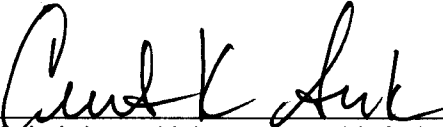


www.dea.gov

**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the DEA system of performance reporting provides reasonable assurance that:

1. DEA uses Priority Target Activity Resource Reporting System and Controlled Substances Act (CSA) Database to capture performance information accurately and these systems were 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 are reasonable.
3. 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.


Christinia K. Sisk, Acting Chief Financial Officer


Date

**U.S. Department of Justice
Drug Enforcement Administration
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

Performance Measure 1: Number of Active International and Domestic PTOs Linked to CPOT Targets Disrupted or Dismantled

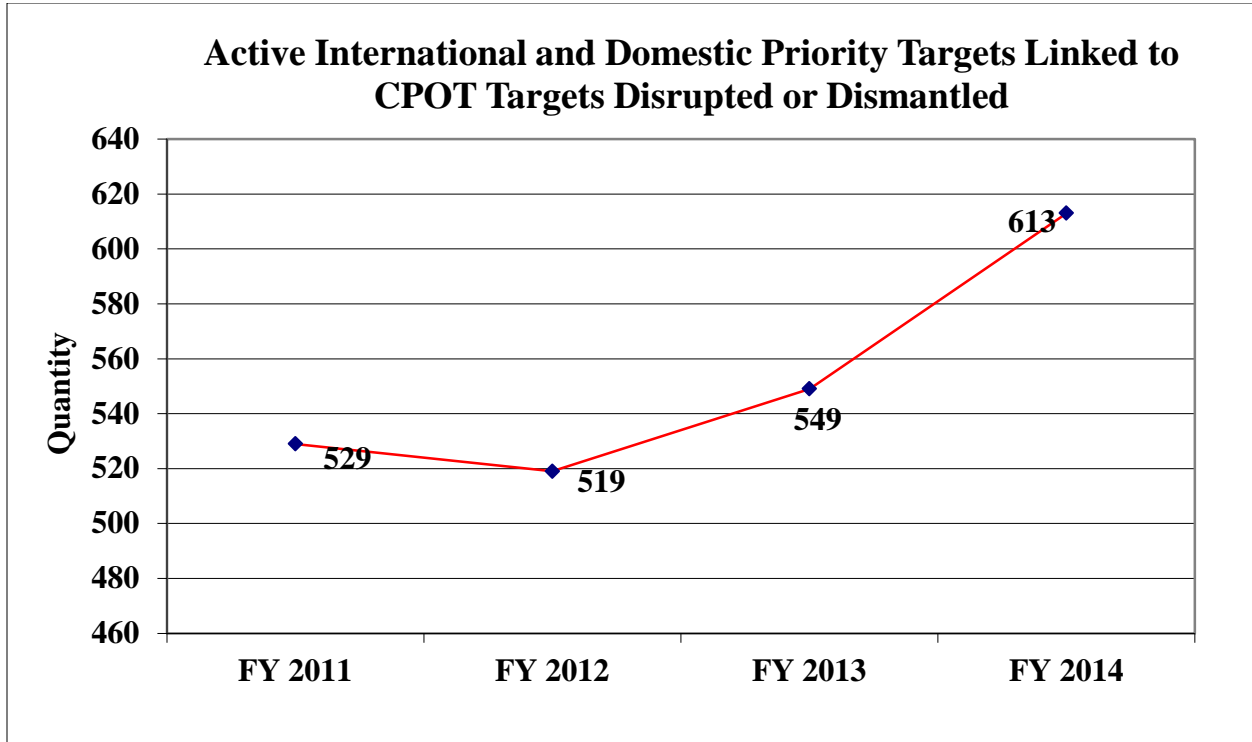
The Drug Enforcement Administration (DEA) is committed to bringing organizations involved in the growing, manufacturing, or distribution of controlled substances to the criminal and civil justice system of the U.S., or any other competent jurisdiction. To accomplish its mission, the DEA targets Priority 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 2013 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 2011	FY 2012	FY 2013	FY 2014	FY 2014	FY 2015
Actual	Actual	Actual	Target	Actual	Target
529	519	549	440	613	440



As of September 30, 2014, the DEA disrupted or dismantled 613 PTOs linked to CPOT targets, which is 39 percent above its FY 2014 target of 440. In the current budget environment, this performance is a testament to DEA’s commitment to DOJ’s CPOTs, which include the most significant international command and control organizations threatening the United States as identified by OCDETF member agencies. For FY 2015, DEA has established a target of 440 PTOs linked to CPOT targets based on our regression analysis and our budget resources.

In the first few years of the DEA's Priority Targeting Program, the DEA repeatedly exceeded its annual targets for PTO disruptions¹ and dismantlements². In response, the DEA refined its projection methodology by using regression analysis to determine the relative weight of many independent variables and their ability to forecast the number of PTOs disrupted and dismantled.

¹ 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.

² 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.

Specifically, regression allows DEA to incorporate, test and evaluate a number of independent variables, including but not limited to arrests, investigative work hours, drug seizures, PTOs opened, and asset seizures. While the elements of the regression have changed over time with the elimination of less correlated variables and the addition of new more highly correlated variables, the disparity between actual performance and established targets has markedly decreased.

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 that will be 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.

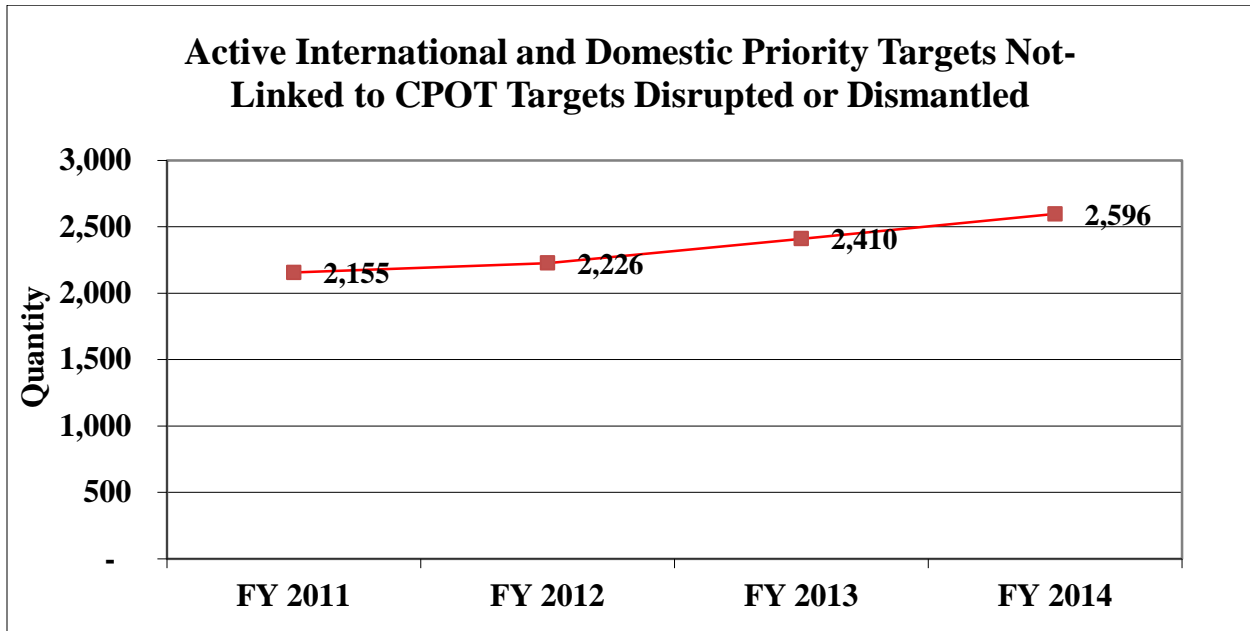
Performance Measure 2: Number of Active International and Domestic PTOs Not Linked to CPOT Targets Disrupted or Dismantled

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.

DEA uses regression analysis to incorporate, test and evaluate a number of independent variables, including but not limited to arrests, investigative work hours, drug seizures, PTOs opened, and asset seizures. While the elements of the regression have changed over time with the elimination of less correlated variables and the addition of new more highly correlated variables, the disparity between actual performance and established targets has markedly decreased.

Table 2: Measure 2

FY 2011	FY 2012	FY 2013	FY 2014	FY 2014	FY 2015
Actual	Actual	Actual	Target	Actual	Target
2,155	2,226	2,410	2,020	2,596	2,020



As of September 30, 2014, the DEA disrupted or dismantled 2,596 PTOs not linked to CPOT targets, which is 29 percent above its FY 2014 target of 2,020. For FY 2015, DEA has established a target of 2,020 PTOs not linked to CPOT targets based on our regression analysis and our budget resources.

Data Validation and Verification

PTOs not linked to CPOT targets use the same data validation and verification as 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

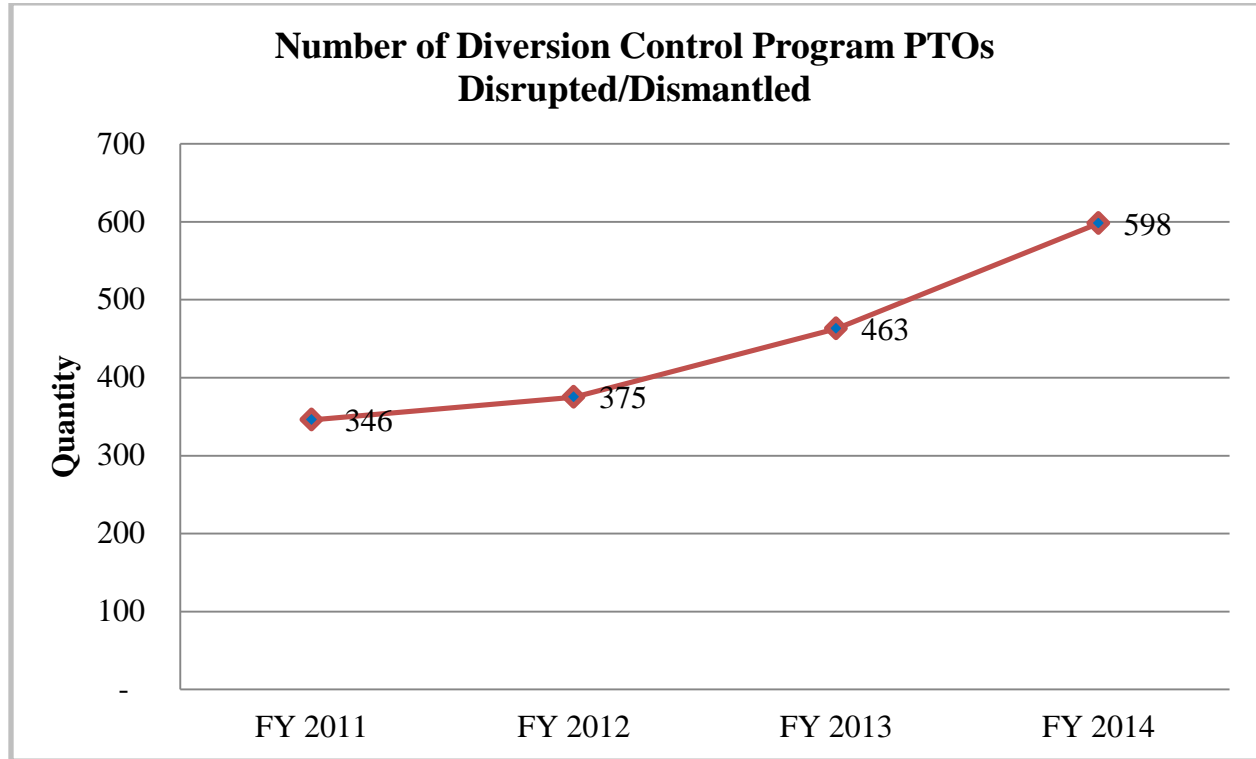
The DCP has been working diligently to address the growing problem of diversion and prescription drug abuse. Criminal entrepreneurs have, over the past few years, leveraged technology to advance their criminal schemes and reap huge profits while diverting millions of dosages of powerful pain relievers 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 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 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
346	375	463	350	598	350



For FY 2014, the DEA disrupted or dismantled 598 DCP PTOs linked/not linked to CPOTs, which is 71 percent above its FY 2014 target of 350. For FY 2015, DEA has established a target of 350 PTOs linked/not linked to CPOT targets.

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.

Performance Measure 4: Number of Administrative/Civil/Criminal Sanctions Imposed on Registrants/Applicants

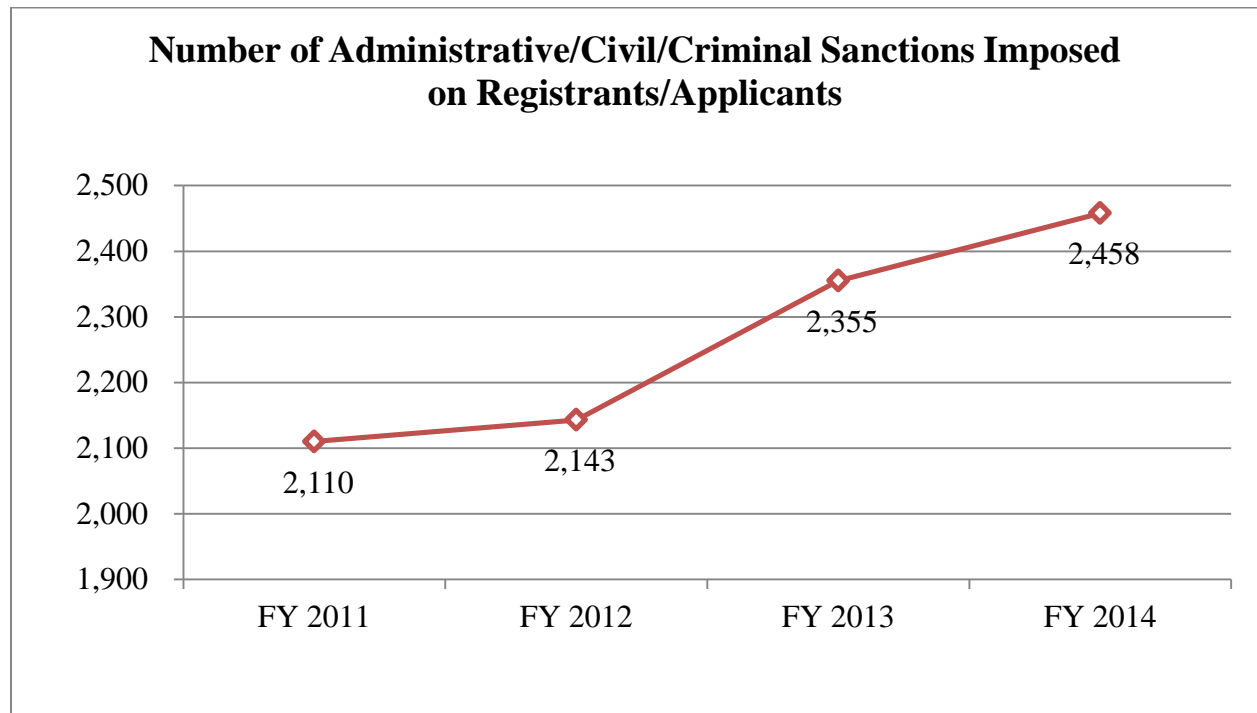
In addition to the DCP’s enforcement activities, a large component of the DCP is regulatory in nature. Specifically, DEA’s DCP is responsible for enforcing the Controlled Substances Act (CSA) and its regulations pertaining to pharmaceutical controlled substances and listed chemicals. The DCP actively 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. As a result of this regulatory component, an additional performance measure, the number of Administrative/Civil/Criminal 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/Criminal Sanctions levied are derived using a Microsoft Excel algorithm which compiles and computes a trend (usually linear) utilizing actual data from the preceding time periods (e.g., fiscal years) and predicts data estimates for subsequent fiscal years.

Table 4: Measure 4

FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
2,110	2,143	2,355	1,892	2,458	1,892



For FY 2014, the DCP imposed 2,458 Administrative/Civil/Criminal Sanctions on its registrants/applicants, which is 30 percent above its FY 2014 target of 1,892. When compared

with FY 2013 actual performance (2,355), DEA's FY 2014 performance represents a 4 percent increase. For FY 2015, DCP's target for Administrative/Civil/Criminal Sanctions is 1,892.

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.

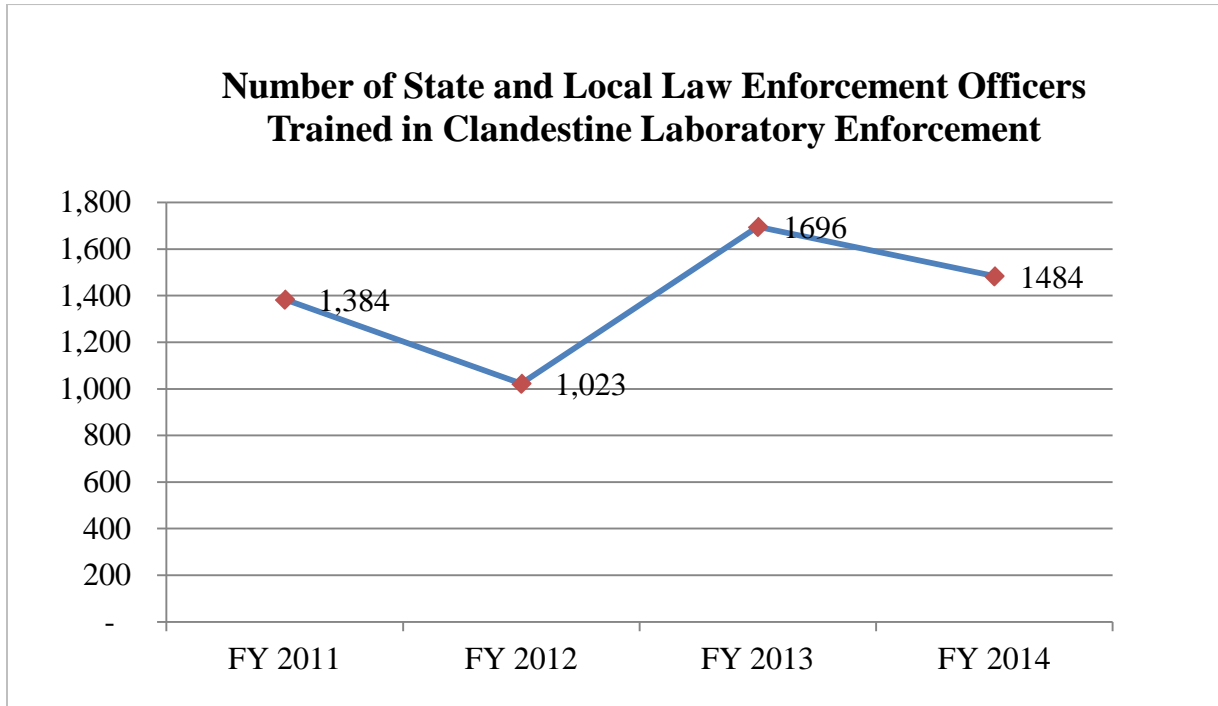
Performance Measure 5: Number of State and Local Law Enforcements Officers Trained in Clandestine Laboratory Enforcement

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. Often, it is the state and local police who first encounter the clandestine laboratories and must ensure that they are investigated, dismantled, and disposed of appropriately.

Table 5: Measure 5

FY 2011	FY 2012	FY 2013	FY 2014	FY 2014	FY 2015
Actual	Actual	Actual	Target	Actual	Target
1,384	1,023	1,696	1,200	1,484	1,200



During FY 2014 DEA conducted training for a total of 1,484 state and local law enforcement officers. This includes State and Local Clandestine Laboratory Certification Training, Site Safety Training, Tactical Training, and Authorized Central Storage Program Training. This training was supported by \$10 million transferred to DEA from the Community Oriented Policing Services (COPS) program to assist state and local law enforcement with clandestine methamphetamine labs cleanup, equipment, and training. DEA originally set its FY 2014 target at 1,125 officers trained, which was in line with the 1,696 officers trained in FY 2013 but later revised the target to 1,200 officers trained. DEA exceeded the revised target by 24 percent.

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 is combined with the data generated by the DEA's Training Academy for total training provided by the DEA. Data is tabulated quarterly based on the fiscal year.

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FEDERAL BUREAU OF PRISONS

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Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Director
Federal Bureau of Prisons
U.S. Department of Justice

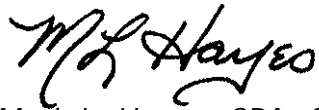
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement 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, 2014. The BOP's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the BOP prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, flowing style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Federal Bureau of Prisons
Detailed Accounting Submission**

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Washington, DC 20535

**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the BOP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. 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.
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 2014.
4. BOP did not have any ONDCP Fund Control Notices issued in FY 2014.

W.F. Dalius, Jr.

W.F. Dalius, Jr.
Assistant Director
for Administration

1/16/2015

Date

U.S. Department of Justice		
Federal Bureau of Prisons		
Detailed Accounting Submission		
Table of Drug Control Obligations		
For Fiscal Year Ended September 30, 2014		
(Dollars in Millions)		
Drug Obligations by Budget Decision Unit and Function:		FY 2014
Decision Unit #1: Inmate Care and Programs		Actual Obligations
	Treatment	\$ 81.99
	Corrections	1,194.76
Total Inmate Care and Programs		\$ 1,276.75
Decision Unit #2: Institution Security and Administration		
	Corrections	\$ 1,468.82
Total Institution Security and Administration		\$ 1,468.82
Decision Unit #3: Contract Confinement		
	Treatment	\$ 26.20
	Corrections	\$ 518.10
Total Contract Confinement		\$ 544.30
Decision Unit #4: Management and Administration		
	Corrections	\$ 98.90
Total Management and Administration		\$ 98.90
Decision Unit #5: New Construction		
	Corrections	\$ 12.62
Total New Construction		\$ 12.62
Decision Unit #6: Modernization and Repair		
	Corrections	\$ 32.54
Total Modernization and Repair		\$ 32.54
Total Drug Control Obligations		\$ 3,433.93

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

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 the Contract Confinement Decision unit, whereas all other programs are included in the Inmate Care and Program Decision Unit.

Correction function obligations are calculated by totaling all BOP direct obligations excluding Treatment function obligations, and applying a drug percentage to these obligations. Drug percentage is the percentage of inmates sentenced for drug-related crimes (49.4%).

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 January 18, 2013. The table represents obligations incurred by the BOP for drug control purposes. The amounts are net of all reimbursable agreements.

Data - All accounting information for the BOP is derived from the Department of Justice (DOJ) Financial Management Information System 2 (FMIS2).

Financial Systems - The FMIS2 is the DOJ financial system that provides BOP obligation data. Obligations in this system can also be reconciled with the enacted appropriation and carryover balances.

Disclosure 2: Methodology Modifications

As previously approved by ONDCP, the methodology to calculate drug control obligations has been changed from the prior year (FY 2013). In FY 2014, the BOP changed the allocation of Community Transitional Drug Treatment obligations from the Inmate Care and Programs Decision Unit to the Contract Confinement Decision Unit to better align the treatment function resources. In FY 2014, the total treatment function obligations of \$108.19 million are allocated to two decision units, \$81.99 million to the Inmate Care and Programs Decision Unit, and \$26.20 million the Contract Confinement Decision Unit. If BOP would have used the prior year

methodology, all of the treatment obligations of \$108.19 million would have been allocated to the Inmate Care and Program Decision Unit.

Disclosure 3: Material Weaknesses or Other Findings

In FY 2014, there were no significant deficiencies or material weaknesses identified in OMB Circular A-123 testing or the *Independent Auditors' Report on Internal Control over Financial Reporting* and no findings in the *Independent Auditors' Report on Compliance and other Matters*.

Disclosure 4: Reprogrammings or Transfers

BOP's FY 2014 obligations include all approved transfers and there were no reprogrammings in FY 2014 (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 2014, \$861,724 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 seven 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, 2014
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Transfers-in	Transfers-out	Total
Decision Unit: Inmate Care and Programs			
Corrections	\$ 53.35	\$ (53.35)	\$ -
Total Inmate Care and Programs	\$ 53.35	\$ (53.35)	\$ -
Total	\$ 53.35	\$ (53.35)	\$ -

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**Federal Bureau of Prisons
Performance Summary Report**

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Washington, DC 20534

**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the BOP system of performance reporting provides reasonable assurance that:

1. BOP uses SENTRY to capture performance information accurately and SENTRY was properly applied to generate the performance data.
2. BOP met the reported performance targets for FY 2014.
3. 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, 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.



W.F. Dalius, Jr.
Assistant Director
for Administration

1/16/2015

Date

**U.S. Department of Justice
Federal Bureau of Prisons
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

Performance Measure: 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 88 BOP institutions 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 2014, the BOP achieved a total capacity of 7,918 (capacity is based on number of treatment staff) that was available for the fiscal year and 7,547 actual participants (participants are actual inmates enrolled in the program at year end) thus meeting the target level.

For FY 2015, the capacity of BOP’s RDAP is projected to be 7,918 with total participants of 7,547.

Fiscal year-end Residential Drug Abuse Treatment Program Capacity and Enrollment

Fiscal Year	Capacity	Participants*	Utilization
FY 2011 Actual	5,892	5,989	102%
FY 2012 Actual	6,092	6,015	99%
FY 2013 Actual	7,548	7,294	97%
FY 2014 Target	7,548	7,171	95%
FY 2014 Actual	7,918	7,547	95%
FY 2015 Target	7,918	7,547	95%

*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.

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OFFICE OF JUSTICE PROGRAMS

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Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Assistant Attorney General
Office of Justice Programs
U.S. Department of Justice

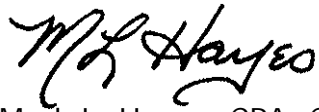
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement 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, 2014. The OJP's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the OJP prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, flowing style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Office of Justice Programs
Detailed Accounting Submission**

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Washington, D.C. 20531

**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by the budget decision unit are the actual obligations from the OJP's accounting system of record for these budget decision units.
2. The drug methodology used by OJP 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 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. The data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the ONDCP Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

Leigh Benda, Chief Financial Officer

Date

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2014
(Dollars in Millions)

Drug Obligations by Budget Decision Unit and Function:	FY 2014
Decision Unit #1: Regional Information Sharing System Program	Actual Obligations^{1/}
Treatment	\$ 27.40
Total, Regional Information Sharing System Program	<u>\$ 27.40</u>
Decision Unit #2: Enforcing Underage Drinking Laws Program	
Prevention	\$ 0.94
Total, Enforcing Underage Drinking Laws Program	<u>\$ 0.94</u>
Decision Unit #3: Drug Court Program	
Treatment	\$ 37.23
Total, Drug Court Program	<u>\$ 37.23</u>
Decision Unit #4: Residential Substance Abuse Treatment Program	
Treatment	\$ 9.54
Total, Residential Substance Abuse Treatment Program	<u>\$ 9.54</u>
Decision Unit #5: Prescription Drug Monitoring Program	
State and Local Assistance	\$ 6.57
Total, Prescription Drug Monitoring Program	<u>\$ 6.57</u>
Decision Unit #6: Border Initiatives (Southwest and Northern)	
State and Local Assistance	\$ 0.26
Total, Border Initiatives (Southwest and Northern)	<u>\$ 0.26</u>
Decision Unit #7: Second Chance Act Program	
State and Local Assistance	\$ 25.00
Total, Second Chance Act Program	<u>\$ 25.00</u>
Decision Unit #8: Byrne Criminal Justice Innovation Program	
State and Local Assistance	\$ 3.10
Total, Byrne Criminal Justice Innovation Program	<u>\$ 3.10</u>
Decision Unit #9: Tribal Courts Program	
Treatment	\$ 1.42
Total, Tribal Courts Program	<u>\$ 1.42</u>
Decision Unit #10: Indian Alcohol and Substance Abuse Program	
Prevention	\$ 4.80
Total, Indian Alcohol and Substance Abuse Program	<u>\$ 4.80</u>
Decision Unit #11: Edward Byrne Memorial Justice Assistance Grant Program	
State and Local Assistance	\$ 65.80
Total, Edward Byrne Memorial Justice Assistance Grant Program	<u>\$ 65.80</u>
Decision Unit #12: Tribal Youth Program	
Prevention	\$ 2.14
Total, Tribal Youth Program	<u>\$ 2.14</u>
Total	<u>\$ 184.20</u>

^{1/}Program obligations reflect direct program obligations plus estimated management and administration obligations.

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

Disclosure 1: Drug Methodology

The mission of the Office of Justice Programs (OJP) is to provide federal leadership in developing the Nation's capacity to prevent and control crime, administer justice, and assist crime victims. 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 (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013.

OJP's Office of the Chief Financial Officer, Budget Formulation, Appropriations, and Management Division is responsible for the development and presentation of the annual OJP ONDCP Budget. OJP's fiscal year (FY) 2014 drug obligations have a total of 12 decision units identified for the National Drug Control Budget.

The FY 2014 decision units include the following:

- Regional Information Sharing System Program
- Enforcing Underage Drinking Laws Program
- Drug Court Program
- Residential Substance Abuse Treatment Program
- Harold Rogers Prescription Drug Monitoring Program
- Border Initiatives (Southwest and Northern)
- Second Chance Act Program
- Byrne Criminal Justice Innovation Program
- Tribal Courts Program
- Indian Alcohol and Substance Abuse Program
- Edward Byrne Memorial Justice Assistance Grant Program
- Tribal Youth Program

In determining the level of resources used in support of the twelve active decision units, OJP used the following methodology:

Drug Program Obligations by Decision Unit: Data on obligations, as of September 30, 2014, were gathered from 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: Since FY 2012, OJP has not had a Salaries and Expenses (S&E) appropriation. M&A funds were assessed at the programmatic level and obligations were 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 twelve active drug-related decision units to the total M&A obligations for OJP.

Overall, OJP program activities support all four goals of the National Drug Control Strategy: (1) Substance Abuse Prevention, (2) Substance Abuse Treatment, (3) Domestic Law Enforcement, and (4) Interdiction and International Counterdrug Support. Functionally, OJP program activities fall under the following functions: Prevention, State and Local Assistance, and Treatment. 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 2014, all decision units had a function allocation of 100 percent.
Decision Unit:	In accordance with the ONDCP Circulars, 100 percent of the actual obligations for four of the 12 active budget decision units are included in the Table of Drug Control Obligations. As directed by ONDCP, only 50 percent of the actual obligations for the Second Chance Act Program are included. OJP is using 30 percent of the actual obligations for Border Initiatives, the Enforcing Underage Drinking Laws Program, Byrne Criminal Justice Innovation Program, and the Indian Country Legacy Programs. The Byrne Justice Assistance Grants Program will use 22 percent of the actual obligations.

Disclosure 2: Methodology Modifications

OJP's overall methodology used to report obligations has not changed from the prior year methodology.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2014, OJP was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2014 *Independent Auditors' Report on Internal Control over Financial Reporting* revealed no material weaknesses.

Disclosure 4: Reprogrammings or Transfers

In accordance with the ONDCP's Circular, *Drug Control Accounting Funding and Performance Summary*, dated January 18, 2013, OJP has provided the attached Table of Reprogrammings and Transfers. In FY 2014, OJP had no reprogrammings, and \$7.92 million and \$20.09 million in drug-related transfers-in and transfers-out, respectively. The transfers-in amounts include OJP's FY 2014 prior-year recoveries associated with the reported decision units. The transfers-out amounts reflect the assessments for the Research, Evaluation, and Statistics (RES) two-percent set-aside and the M&A assessments against OJP programs. The RES two 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 2014, Congress provided OJP the authority to assess programs for administrative purposes. The amounts reflected in the table show the dollar amount that each program contributed to OJP's M&A.

Disclosure 5: Other Disclosures

Of the total FY 2014 actual drug obligations, \$8.9 million are a result of carryover unobligated resources.

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Submission
Table of Reprogrammings and Transfers
For Fiscal Year Ended September 30, 2014
(Dollars in Millions)**

Drug Resources by Budget Decision Unit and Function:	Transfers-in ^{1/}	Transfers-out ^{2/}	Total
Decision Unit #1: Regional Information Sharing System Program			
State and Local Assistance	-	(2.99)	(2.99)
Total: Regional Information Sharing System Program	<u>\$ -</u>	<u>\$ (2.99)</u>	<u>\$ (2.99)</u>
Decision Unit #2: Enforcing Underage Drinking Laws Program			
Prevention	0.17	(0.75)	(0.58)
Total: Enforcing Underage Drinking Laws Program	<u>\$ 0.17</u>	<u>\$ (0.75)</u>	<u>\$ (0.58)</u>
Decision Unit #3: Drug Court Program			
Treatment	3.37	(4.03)	(0.66)
Total: Drug Court Program	<u>\$ 3.37</u>	<u>\$ (4.03)</u>	<u>\$ (0.66)</u>
Decision Unit #4: Residential Substance Abuse Treatment Program			
Treatment	0.52	(1.00)	(0.48)
Total: Residential Substance Abuse Treatment Program	<u>\$ 0.52</u>	<u>\$ (1.00)</u>	<u>\$ (0.48)</u>
Decision Unit #5: Harold Rogers Prescription Drug Monitoring Program			
State and Local Assistance	0.26	(0.70)	(0.44)
Total: Harold Rogers Prescription Drug Monitoring Program	<u>\$ 0.26</u>	<u>\$ (0.70)</u>	<u>\$ (0.44)</u>
Decision Unit #6: Border Initiatives (Southwest and Northern)			
State and Local Assistance	0.74	-	0.74
Total, Border Initiatives (Southwest and Northern)	<u>\$ 0.74</u>	<u>\$ -</u>	<u>\$ 0.74</u>
Decision Unit #7: Second Chance Act Program			
State and Local Assistance	0.49	(2.60)	(2.11)
Total: Second Chance Act Program	<u>\$ 0.49</u>	<u>\$ (2.60)</u>	<u>\$ (2.11)</u>
Decision Unit #8: Byrne Criminal Justice Innovation Program			
State and Local Assistance	-	(0.31)	(0.31)
Total: Byrne Criminal Justice Innovation Program	<u>\$ -</u>	<u>\$ (0.31)</u>	<u>\$ (0.31)</u>
Decision Unit #9: Tribal Courts Program			
Treatment	0.26	-	0.26
Total: Tribal Courts Program	<u>\$ 0.26</u>	<u>\$ -</u>	<u>\$ 0.26</u>
Decision Unit #10: Indian Alcohol and Substance Abuse Program			
Prevention	0.30	-	0.30
Total: Indian Alcohol and Substance Abuse Program	<u>\$ 0.30</u>	<u>\$ -</u>	<u>\$ 0.30</u>
Decision Unit #11: Edward Byrne Memorial Justice Assistance Grant Program			
State and Local Assistance	0.85	(7.56)	(6.71)
Total, Edward Byrne Memorial Justice Assistance Grant Program	<u>\$ 0.85</u>	<u>\$ (7.56)</u>	<u>\$ (6.71)</u>
Decision Unit #12: Tribal Youth Program			
Prevention	0.96	(0.15)	0.81
Total: Tribal Youth Program	<u>\$ 0.96</u>	<u>\$ (0.15)</u>	<u>\$ 0.81</u>
Total	<u>\$ 7.92</u>	<u>\$ (20.09)</u>	<u>\$ (12.17)</u>
Methamphetamine Enforcement and Lab Cleanup Program ^{3/}	\$ -	(10.00)	(10.00)

^{1/} Transfers-in reflect FY 2014 recoveries.

^{2/} Amounts reported for the Transfers-out consist of RES 2% set-aside and M&A assessments.

^{3/} ONDCP requires OJP to report on the Methamphetamine Enforcement and Lab Cleanup Program, which is appropriated to the Office of Community Oriented Policing Services (COPS), an office within the Department of Justice's (DOJ's) Offices, Boards, and Divisions (OBDs), and transferred to the Drug Enforcement Administration (DEA) for administration. As the transfer related to the COPS program is reported in the financial statements of the OBDs, it is not included in the FY 2014 actual transfers-out total on OJP's Table of Reprogrammings and Transfers. The disclosure of the COPS information in the reprogrammings and transfers table is for presentation purposes only, and the obligations recorded for the program will be reflected in the DEA's Table of Drug Control Obligations.

**Office of Justice Programs
Performance Summary Report**

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Washington, D.C. 20531

**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

On the basis of the Office of Justice Program (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 January 18, 2013, we assert that the OJP system of performance reporting provides reasonable assurance that:

1. OJP uses the Grants Management System and Performance Measurement Tool to capture performance information accurately and these systems were 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. 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

01/16/2015

Date

**U.S. Department of Justice
Office of Justice Programs
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

Performance Measures:

The Office of Justice Programs (OJP), established by the Justice Assistance Act of 1984, supports collaboration of law enforcement at all levels in building and enhancing networks across the criminal justice system to function more effectively. Within OJP's overall program structure, specific resources dedicated to support the National Drug Control Strategy are found in the: Residential Substance Abuse Treatment (RSAT) program; Drug Court program; Harold Rogers Prescription Drug Monitoring Program (PDMP); Regional Information Sharing System (RISS); Edward Byrne Memorial Justice Assistance Grant (JAG) program; and Second Chance Act (SCA) program.

As required by the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, OJP is reporting on the following performance measures of the above programs for this Performance Summary Report:

- Number of participants in the RSAT program
- Graduation rate of program participants in the Drug Court program
- Number of PDMP interstate solicited and unsolicited reports produced
- Percent increase in RISS inquiries
- Completion rate for individuals participating in drug-related JAG programs
- Number of participants in the SCA-funded programs

In addition, in accordance with an agreement with the ONDCP, dated December 2, 2013, OJP is not required to report performance measures for the following programs/decision units: Enforcing Underage Drinking Laws program, Border Initiatives (Southwest and Northern), Byrne Criminal Justice Innovation programs, Tribal Courts, Indian Alcohol and Substance Abuse program, and Tribal Youth program. ONDCP stated that this agreement is in effect for the duration of the administration of these programs/decision units, unless the strategic direction of these programs is revised in the future to be more drug-related in nature.

Performance Measure 1: Number of participants in the RSAT program

Decision Unit: Residential Substance Abuse Treatment Program

Table 1: Number of Participants in the RSAT Program

CY 2011 Actual	CY 2012 Actual	CY 2013 Target	CY 2013 Actual	CY 2014 Target	CY 2014 Actual	CY 2015 Target
29,358	27,341	30,000	28,873	27,000	(will be available in May 2015)	27,000

The RSAT program, administered by the Bureau of Justice Assistance (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.

The RSAT program formula grant funds may be used to implement three types of programs. For all programs, at least 10% 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 which provide individual and group treatment activities for offenders in residential facilities that are operated by state correctional agencies; 2) jail-based substance abuse programs which provide individual and group treatment activities for offenders in jails and local correctional facilities; and 3) an aftercare component which requires states to give preference to sub grant applicants who will provide 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 number of offenders who participate in the RSAT program is a measure of the program's goal to help offenders become drug-free and learn the skills needed to sustain themselves upon return to the community.

Data for this measure are reported on a calendar year (CY) basis and, as a result, 2014 data will not be available until May 2015.

The target for CY 2013 was to have 30,000 participants in the RSAT program; however, the goal was not met by 1,127 participants. There are many contributing factors for not meeting the goal, including funding level; the numbers of eligible offenders, available staff, and treatment providers; security issues; and the state's ability to provide the required 25% matching funds.

Data Validation and Verification

BJA implemented the Performance Management Tool (PMT) to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Program managers obtain data from reports submitted by grantee, telephone contact, and on-site monitoring of grantee performance. Grantees report data in the PMT and create a report, which is uploaded to the Grants Management System (GMS), and reviewed by BJA program managers.

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.

Data for the RSAT program are based on the calendar year. The number of offenders in the RSAT programs has slowly decreased, primarily driven by a decrease in the number of sub-grants awarded to state correctional facilities, local jails, and reductions in RSAT funding. In CY 2013, BJA served 28,873 participants in the RSAT program.

Performance Measure 2: Graduation rate of program participants in the Drug Court Program

Decision Unit: Drug Court Program

Table 2: Graduation Rate of Program Participants in the Drug Court Program

FY 2011 Actual	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
43%	46%	48%	51%	54%	51%	51% ¹

BJA and the Office of Juvenile Justice and Delinquency Prevention (OJJDP) administer OJP's 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 tribal governments in order to establish drug treatment courts. Drug courts employ an integrated mix of treatment, drug testing, incentives, and sanctions to break the cycle of substance abuse and crime. Since its inception, more than 2,700² drug courts have been established in a number of jurisdictions throughout the country. Currently, every state, the District of Columbia, Guam, and Puerto Rico have established one or more drug courts in their jurisdiction.

¹ BJA is recommending that the FY 2015 target be revised from 54% to 51%. It is BJA's priority to emphasize implementation drug court grants that prioritize high-risk/high-need participant programs resulting in lower graduation rates closer to 50%. As well, a target of 51% falls in line with the trends of BJA's actual graduation rates over the last three years.

² National Association of Drug Court Professionals at <http://www.nadcp.org/learn/about-nadcp>.

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 (DWI), Reentry, Healing-to-Wellness (Tribal), Co-Occurring Disorders, and Veteran's Treatment among others. OJP continues to support drug courts and other problem-solving courts.

The need for drug treatment services is tremendous and 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. Twenty-nine percent of the 6.8 million people who reported to the 2012 National Crime Victimization Survey that they had been a victim of violence, believed that the perpetrator was using drugs, alcohol, or both drugs and alcohol. Further, 54 percent of jail inmates were abusing or dependent on drugs, according to Bureau of Justice Statistics (BJS) 2002 Survey of Inmates in Local Jails. Correspondingly, 53 percent of state inmates, and 45 percent of federal inmates abused or were dependent on drugs in the year before their admission to prison, according to the BJS 2004 Surveys of Inmates in State and Federal Correctional Facilities.

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 2013 was a 48 percent graduation rate for drug court participants; the target was exceeded by three percent. In FY 2013, BJA focused training and technical assistance on evidence based policies and practices on grantees showing underperformance based on performance measures. In addition, BJA continues to prioritize funding on programs that focus on high-risk, high-need offenders, and on establishing new drug courts through implementation grants.

The target for FY 2014 was a 54 percent graduation rate for drug court participants; however, the completion rate for drug court participants missed the target by 3 percentage points. The national average graduation rate, which does not take into account variations based on risks/needs level, and program maturity, is 57 percent³. BJA continues to focus on solicitations and funded awards that will follow evidence-based practices and programs to focus on high-need, high-risk populations. BJA funds enhancement grants to established drug courts to enhance their operations, and implementation grants for new drug courts. The data indicates that courts that receive implementation awards generally take longer to become fully operational, have less embedded policies and procedures that follow evidence-based practices, and enrolled a higher risk/need pool of candidates when compared to drug courts that receive enhancement grants. This leads to completion rates that are higher for drug courts that receive enhancement grants and lower for drug courts that receive implementation grants. The completion rates for implementation grant drug courts influence the completion rate downward. The number of implementation grantees increased in FY 2014, when compared to FY 2013, which is one of the reasons why the FY 2014 target was not met.

³ Huddleston, W., & Marlowe, D. (2011), "Painting the current picture: A national report on drug courts and other problem-solving court programs in the United States." Alexandria, VA: *National Association of Drug Court Professionals, National Drug Court Institute.*

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. Program managers obtain data from reports submitted by grantee, telephone contact, and on-site monitoring of grantee performance. Grantees report data in the PMT and create a report, which is uploaded to GMS, and reviewed by BJA program managers.

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 3: Number of PDMP Interstate Solicited and Unsolicited Reports Produced

Decision Unit: Harold Rogers' Prescription Drug Monitoring Program

Table 3: Total number of interstate solicited reports produced

CY 2011 Actual	CY 2012 Actual	CY 2013 Target	CY 2013 Actual	CY 2014 Target	CY 2014 Actual	CY 2015 Target
291,618	733,783	345,000	3,401,951	4,151,548 ⁴	(will be available in May 2015)	3,776,750 ⁴

Table 4: Total number of interstate unsolicited reports produced

CY 2011 Actual	CY 2012 Actual	CY 2013 Target	CY 2013 Actual	CY 2014 Target	CY 2014 Actual	CY 2015 Target
979	413	620	2,821	1,890	(will be available in May 2015)	1,890

The Harold Rogers' Prescription Drug Monitoring Program, administered by BJA, enhances the capacity of regulatory and law enforcement agencies, and public health officials to collect and analyze controlled substance prescription data and other scheduled⁵ chemical products through a centralized database administered by an authorized state agency.

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

⁴ The CY FY 2014 target has been revised from 2,399,000 in the FY 2013 Annual Report to 4,151,548. The targets are based on quarterly averages over the past 2 years of data collection. The CY 2015 target is slightly lower than the CY 2014 target to account for closing state awards and new local PDMP awards.

⁵ The Federal Controlled Substance Act, which established five schedules of controlled substances, to be known as schedules I, II, III, IV, and V. Schedules are lists of controlled substances which identify how the substances on each list can be prescribed, dispensed or administered. A substance is placed on a particular schedule after consideration of several factors, including the substance's accepted medical usage in the United States and potential for causing psychological or physical dependence.

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 or implementation activities.

This performance measure contributes to the National Drug Strategy by aligning with the core area of improving information systems to better analyze, assess, and locally address drug use and its consequences. The measure collects data on reports for the following users: prescribers, pharmacies/pharmacists, law enforcement (police officers, correctional officers, sheriffs or deputies, state coroners who are considered law enforcement and other law enforcement personnel), regulatory agencies, patients, researchers, medical examiners/coroners, drug treatment programs, drug court judges, and others.

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 these measures. Unsolicited reports pose a greater challenge, as each state has different laws on whether or not unsolicited reports can be generated. The target of solicited reports for CY 2013 was greatly exceeded by over 3 million reports. This measure is greatly impacted by varying laws and policies pertaining to solicited reports in each state. Additionally, it is impacted by the various prescribing practices of doctors, investigative capability of states investigative and regulatory agencies, demand for scheduled drugs, and capabilities of various state level PDMPs to generate solicited reports.

The target for unsolicited reports for CY 2013 also exceeded the target by 2,201 reports. This measure is greatly impacted by varying laws and policies pertaining to unsolicited reports in each state. Some states do not allow unsolicited reporting. As with solicited reports, it is impacted by the various prescribing practices of doctors, investigative capability of states investigative and regulatory agencies, demand for scheduled drugs, and capabilities of various state level PDMPs to generate solicited reports.

Data for this measure are reported on a calendar year basis and, as a result, 2014 data will not be available until May 2015.

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. Program managers obtain data from reports submitted by the grantee, telephone contact, and on-site monitoring of grantee performance. Grantees report data in the PMT and create a report, which is uploaded to GMS, and reviewed by BJA program managers.

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 RISS Inquiries for the RISS Program

Decision Unit: Regional Information Sharing System

Table 5: Percent increase in RISS inquires

FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
16%	7%	10%	11%	10%

* Note: Data are not available for years prior to FY 2012

The Regional Information Sharing System (RISS) program, administered by BJA, provides services and resources that directly impact law enforcement's ability to successfully resolve criminal investigations and prosecute offenders, while providing the critical officer safety event deconfliction⁶ necessary to keep the men and women of our law enforcement community safe. RISS supports an all-crimes approach, so not all inquiries to RISS are related to narcotics investigation; however, RISS's resources, systems, and investigative support services do support narcotics investigations based on requests for service and inquiries from the field. Numerous narcotics investigators benefit from RISS's intelligence systems, investigative resources, officer safety deconfliction, and support services. Law enforcement officers utilize all aspects of RISS's services to assist in case resolution, including analytical products, equipment loans, confidential funds, access to intelligence and investigative databases, officer safety tools, publications, and training.

In FY 2014, the total number of inquiries increased by 11%. The percent increase of RISS inquiries includes inquiries made by authorized users to a variety of RISS resources, including the RISS Criminal Intelligence Databases (RISSIntel), the RISS search capability, as well as a number of other investigative resources, such as the RISS Property and Recovery Tracking System (formerly known as the RISS Pawnshop Database), the Master Telephone Index, and the Pseudoephedrine Violator database. The number of RISS inquiries by users is impacted by the types of crimes under investigation; the complexities of those crimes; regional changes and needs; and a variety of other factors.

Although the RISS Program received level funding from FY 2013 to FY 2014, the RISS Centers continued to work at a reduced services level. Many of the Centers have not replaced staff, reduced or eliminated some services, but continue to respond to the requests made by their membership. The members do understand that some of their requests may take a longer response due to the reduced staffing. The demand for services have not reduced and additional intelligence data sources have come online bringing the number of intelligence databases available in the federated search to 37 with additional agencies' databases scheduled for connection in 2015. In addition, RISS is playing a key role in the collaboration effort to interface the deconfliction systems nationwide.

⁶ Comprehensive and nationwide deconfliction system that is accessible on a 24/7/365 basis and available to all law enforcement agencies. Officers are able to enter event data on a 24/7 basis, but do not have the ability to see other officers' entries into the system.

Data Validation and Verification

Data for the RISS program are not reported in the PMT. The six RISS centers and the RISS Office of Information Technology (OIT) report their performance information to the Institute for Intergovernmental Research (IIR), the administrative support grantee for the RISS program. IIR aggregates the data to develop the RISS quarterly report, which is submitted to BJA through GMS, as part of IIR's reporting requirements for the grant. At the end of the fiscal year, performance data for the RISS are provided in quarterly reports via GMS by the administrative grantee 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 RISS OIT for grantee performance. Data are validated and verified through a review of grantee support documentation obtained by program managers.

Performance Measure 5: Completion Rate for Individuals Participating in Drug-Related JAG Programs

Decision Unit: Edward Byrne Memorial Justice Assistance Grant Program

Table 6: Completion rate for individuals participating in drug-related JAG programs

FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
20%	59%	25%	62%	57%

* Note: Data are not available for years prior to FY 2013

The Edward Byrne Memorial Justice Assistance Grant (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, courts, and indigent defense; crime prevention and education; corrections and community corrections; drug treatment and enforcement; program planning, evaluation, and technology improvement; and crime victim and witness initiatives. 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 completion rate for individuals participating in drug related JAG programs captures the percentage of total participants who are able to successfully complete all drug treatment program requirements. This measure supports the mission of the National Drug Control Strategy because these federal funded programs help to provide care and treatment for those who are addicted. In

providing treatment for those who are addicted, this measure also addresses the original intent of the JAG program by using an innovative treatment approach to prevent and reduce crime.

The targets for FY 2013 and FY 2014 were exceeded by 39 and 37 percentage points respectively. The data show a steady completion rate over the time period and a similar completion rate for those in drug court programs versus those in treatment programs.

The target for FY 2015 drug-related JAG programs is 57%. The drug-related JAG programs measure is constructed of completion rates from JAG funded drug court programs, which is made up approximately 60% of 2014 JAG drug-related funding, and JAG funded treatment programs, which accounted for approximately 40% of 2014 JAG drug-related funding. JAG funded drug treatment programs and JAG funded drug courts individually had the same success rate of 62% in 2014. Since these success rates are the same and the majority of this funding is focused on drug courts, the new target is constructed considering the national average graduation rate for drug courts; the 2013, and 2014 actual graduation rates from the drug-related JAG programs as a whole. Note that the JAG funding has no requirements for the nature of these programs, so the participants served may be low-risk/low-needs and therefore more likely to succeed as compared to programs that focus on high-risk/high-needs populations. This is likely the reason why the actual graduation rates for the drug-related JAG programs over the last two years have been higher than the actual graduation rates for the BJA funded drug court programs.

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. Program managers obtain data from reports submitted by grantee, telephone contact, and on-site monitoring of grantee performance. Grantees report data in the PMT and create a report, which is uploaded to GMS. Program managers review the reports.

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

Decision Unit: Second Chance Act Program

Table 7: Number of participants in SCA-funded programs

FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
7,120	8,253	7,830	7,047	9,984

* Note: Data are not available for years prior to FY 2013

The Second Chance Act of 2007 (Public Law 110-199) reformed the Omnibus Crime Control and Safe Streets Act of 1968. 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 \$165 million in grants to state and local government agencies and community organizations to provide employment and housing assistance, substance abuse treatment, family programming, mentoring, victim support and other services that help people returning from prison and jail to safely and successfully 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.

While BJA funds six separate SCA grant programs, for the purposes of this performance measure, data from only two grant programs are used. The first program is the Targeting Offenders with Co-Occurring Substance Abuse and Mental Health Program. This SCA grant program provides funding to state and local government agencies and federally recognized Indian tribes to implement or expand both pre- and post-release treatment programs for individuals with co-occurring substance abuse and mental health disorders. The second program is the Family-Based Prisoner Substance Abuse Treatment Program. This grant program is designed to implement or expand family-based treatment programs for adults in prisons or jails. These programs provide comprehensive substance abuse treatment and parenting programs for incarcerated parents of minor children and also provide treatment and other services to the participating offenders' minor children and family members. Program services are available during incarceration as well as during reentry back into the community.

The total number of participants in SCA funded programs is a measure of the grant program's goal of helping ex-offenders successfully reenter the community following criminal justice system involvement, by addressing their substance abuse challenges. The total number of participants' measure demonstrates how many ex-offenders have participated in substance abuse-focused reentry services.

For FY 2013, many of the programs had high participation and enrollment rates meaning that they had high utilization and effectively reached their target populations. When compared to FY 2014, the number of operational programs was higher. These factors accounted for a high number of new participants.

For FY 2014, there were many new grantees that marked that they were not operational when the data was collected. Also, the number of grantees has decreased when compared to previous years due to a decrease in appropriations. SCA family-based program grantees dropped by half, and co-occurring program grantees dropped by 10 percent, which contributed to not meeting the target.

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. Program managers obtain data from reports submitted by grantee, telephone contact, and on-site monitoring of grantee performance. Grantees report data in the PMT and create a report, which is uploaded to GMS, and reviewed by BJA program managers.

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.

**OFFICES OF THE
UNITED STATES ATTORNEYS**

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Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Director
Executive Office for U.S. Attorneys
U.S. Department of Justice

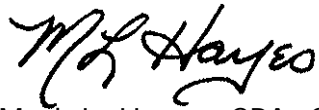
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement 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, 2014. The EOUSA's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the EOUSA prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, slightly slanted style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Offices of the United States Attorneys
Detailed Accounting Submission**

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U.S. Department of Justice

Executive Office for United States Attorneys

Resource Management and Planning Staff

Suite 2200, Bicentennial Building
600 E Street, NW
Washington, DC 20530

(202) 252-5600
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**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the United States Attorneys' system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by the United States Attorneys to calculate obligations of budgetary resources by function 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 2014.
4. The United States Attorneys did not have any ONDCP Fund Control Notices issued in FY 2014.

Paul W. Suddes
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, 2014
(Dollars in Millions)

Drug Obligations by Budget Decision Unit and Function:	FY 2014
Decision Unit: Criminal	<u>Actual Obligations</u>
Prosecution	90.45
Total Criminal Decision Unit	<u>90.45</u>
Total Drug Control Obligations	<u>\$ 90.45</u>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.74

**U.S. Department of Justice
United States Attorneys
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

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 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 drug control mission of the USAOs. 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 – All financial information for the United States Attorneys is derived from Department of Justice's (DOJ's) Financial Management System 2 (FMIS2). Workload information is derived from the United States Attorneys' USA-5 Reporting System.

Financial Systems – FMIS2 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 methodology from prior years.

Disclosure 3: Material Weaknesses or Other Findings

The United States Attorneys community is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2014, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated audit FY 2014 *Independent Auditors' Report on Internal Control over Financial Reporting* revealed no material weaknesses.

Disclosure 4: Reprogrammings or Transfers

There were no drug-related reprogrammings or transfers in FY 2014.

**Offices of the United States Attorneys
Performance Summary Report**

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U.S. Department of Justice

Executive Office for United States Attorneys

Office of the Director

*Suite 2261, RFK Main Justice Building (202) 252-1000
950 Pennsylvania Avenue, NW
Washington, DC 20530*

**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the United States Attorneys' system of performance reporting provides reasonable assurance that:

1. The United States Attorneys use the United States Attorneys' Legal Information Office Network System (LIONS), an electronic national case management system, to capture performance information accurately and LIONS was properly applied to generate the performance data.
2. The United States Attorneys do not set drug-related targets, but report out actual statistics on two drug-related performance measures.
3. 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.



Norman Wong, Deputy Director and
Counsel to the Director

1/16/15

Date

**U.S. Department of Justice
United States Attorneys
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

Performance Measures: Conviction Rate for Drug Related Offenses & Percentage of 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 2014 National Drug Control Strategy through reducing the threat, trafficking, use, and related violence of illegal drugs. The FY 2014 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’ Legal Information Office Network System (LIONS). 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 2014:

U.S. Attorneys							
Selected Measures of Performance		FY 2011 Achieved	FY 2012 Achieved	FY 2013 Achieved	FY 2014 Target*	FY 2014 Achieved	FY 2015 Target*
»	Conviction Rate for drug related defendants	92%	92%	91%	NA	92%	NA
»	Percentage of defendants sentenced to prison	89%	90%	89%	NA	89%	NA

* The USAOs do not set conviction rate targets. Therefore the targets for FY 2014 and 2015 are not available. Actual conviction rate for FY 2015 will be presented in the FY 2015 submission.

Additional Performance Related Information:

A small selection of cases from FY 2014 is presented below and illustrates the efforts of the USAOs in prosecuting large-scale drug trafficking organizations.

District of Maryland

This successful prosecution targeted a heroin and marijuana drug trafficking organization that stretched from Mexico to Maryland. According to testimony at trial, Amir Ali Faraz of Laredo, Texas transported between one and two kilograms of white powder heroin and black tar heroin during each trip from Mexico to Maryland, solicited purchasers and distributed the heroin and marijuana in the Maryland area.

On July 7, 2014, the U.S. District Court sentenced Amir Ali Faraz to 20 years in prison, followed by 10 years of supervised release, for conspiracy to distribute heroin and marijuana, possession with intent to distribute heroin, using a phone in furtherance of drug trafficking and interstate travel to promote drug trafficking activities. Co-conspirator Ricardo Rodriguez, also of Laredo, Texas, was sentenced to 78 months in prison, followed by five years of supervised release, for conspiracy to distribute heroin and marijuana, and for using a cell phone in furtherance of drug trafficking. Faraz and Rodriguez were convicted on January 24, 2014, after a 12-day jury trial. Three additional co-conspirators pleaded guilty and received sentences ranging from 64 to 92 months.

District of Montana

On August 29, 2014, the United States District Court sentenced Robert Farrell Armstrong, also known as "Dr. Bob," to 240 months in prison, to be followed by a term of 5 years supervised release, for distributing large amounts of essentially pure methamphetamine through a network of subordinate drug traffickers from Washington State to Montana. This case resulted from Project Safe Bakken, an interagency effort by the United States Attorneys for Montana and North Dakota and the Attorneys General for Montana and North Dakota, as well as a number of federal, state, local, and tribal law enforcement agencies designed to fight crime in the Bakken Region of eastern Montana and western North Dakota. The DEA, Montana Division of Criminal Investigations (MDCI), Sidney Police Department, Sweet Grass Sheriff's Department, Montana Highway Patrol, and the United States Border Patrol participated in the investigation of Armstrong and his accomplices as part of "Operation Oil Patch Kids." As of August 29, 2014, the investigation resulted in the convictions of 19 individuals for federal crimes related to Armstrong's drug trafficking organization.

District of North Dakota

OCDETF investigation "Operation Stolen Youth" culminated in the successful prosecution of 15 defendants for distributing deadly analogue controlled substances in the Grand Forks area. In June 2012, two teenagers died from overdoses caused by these substances. The investigation revealed that several young adults in the Grand Forks area distributed various analogue substances acquired from an internet based company near Houston, Texas named Motion Resources. This company imported these substances from overseas and distributed them across the United States. Charles William Carlton, 29, of Katy, Texas, was identified as the leader and

was sentenced to serve 20 years and 6 months in prison for his role in the conspiracy. Carlton was also ordered to forfeit \$385,000 in proceeds related to Motion Resources. The sentences for the other defendants ranged from probation to 20 years imprisonment.

Southern District of Texas

The U.S. District Court sentenced Rafael Cardenas Vela, a one-time Gulf Cartel plaza boss and the nephew of the gang's former leader, to 20 years in prison on November 17, 2014 in Brownsville, Texas. Cardenas Vela must pay a \$1 million fine and forfeit \$5 million and property he has in Brownsville. Cardenas Vela had previously pleaded guilty to conspiring to possess with intent to distribute more than five kilograms of cocaine and more than 1,000 kilograms of marijuana. He was one of several Gulf Cartel plaza bosses arrested in the Rio Grande Valley in the fall of 2011 as the gang's upper echelons tried to slip across the border to escape internal conflict in Mexico. Agents arrested Cardenas Vela in October 2011 in Port Isabel. He later testified against childhood-friend-turned rival, Juan Roberto Rincon, in Rincon's 2012 trial.

District of Vermont

On October 31, 2014, Joshua Rose, 21, of New York, was sentenced by the U.S. District Court to seventy-five months imprisonment on his guilty plea to a charge of conspiracy to distribute 100 grams or more of heroin. According to court documents, Rose trafficked 400 to 700 grams of heroin from New York City to Rutland, New York during 2012. On September 4, 2012, Rose was arrested by the New York Police Department with 110 grams of heroin bound for Rutland. For the next six months, Devon Cruz, 29, and Charles Hercules, 23, both of New York, who had been assisting Rose, continued the heroin trafficking operation. The three New York men sold the heroin in Rutland primarily through several heroin-addicted local residents.

On August 29, 2012, approximately one week before Rose's arrest, David C. Blanchard III, of Rutland, died from an overdose of the heroin distributed by Rose and his associates. All of the defendants entered guilty pleas to the conspiracy charge, except Phillips, who pled guilty to aiding and abetting Rose's possession with intent to distribute heroin. The sentences for the co-conspirators ranged from 37 to 69 months.

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 relied upon 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 is a major, ongoing initiative, that not only will enhance the success of the LIONS implementation effort, but also will result in more reliable data which is used for a wide variety of internal management awareness and accountability, as well as provide additional training 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 and to be prepared for LIONS.

Established in 1995, the Data Analysis Staff is the primary source of statistical information and analysis for EOUSA. This caseload data was extracted from LIONS. 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.

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**ORGANIZED CRIME DRUG ENFORCEMENT
TASK FORCES PROGRAM**

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Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Director
Executive Office for the Organized Crime
Drug Enforcement Task Forces
U.S. Department of Justice

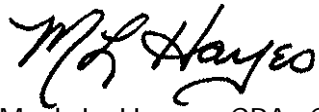
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement 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, 2014. The OCDETF's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the OCDETF prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, slightly slanted style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**Organized Crime Drug Enforcement
Task Forces Program
Detailed Accounting Submission**

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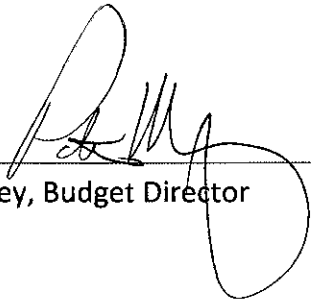
U.S. Department of Justice

Executive Office for Organized Crime Drug
Enforcement Task Forces

**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, 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 2014.
5. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2014.



Peter Maxey, Budget Director

January 16, 2015

Date

**U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces (OCDETF) Program
Detailed Accounting Submission
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2014**

Dollars in Millions

	Total FY 2014 Actual Obligations
Drug Obligations by Decision Unit and Function	
Investigations:	
Drug Enforcement Administration (DEA)	\$ 195.95
Federal Bureau of Investigation (FBI)	\$ 135.85
U.S. Marshals Service (USMS)	\$ 8.60
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	\$ 11.30
OCDETF Fusion Center (OFC)	\$ 10.69
International Organized Crime (IOC-2)	\$ 1.04
TOTAL INVESTIGATIVE DECISION UNIT	\$ 363.43
Prosecutions:	
U.S. Attorneys (USAs)	\$ 146.90
Criminal Division (CRM)	\$ 2.13
EXO Threat Response Unit (TRU)	\$ 0.72
TOTAL PROSECUTORIAL DECISION UNIT	\$ 149.75
 Total Drug Control Obligations	 \$ 513.18

U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces Program
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014

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 January 18, 2013. The Table represents obligations from the ICDE account incurred by OCDETF for drug control purposes. All amounts are net of reimbursable agreements.

Data - All accounting information for the OCDETF Program is derived from the DOJ Financial Management Information System 2 (FMIS2). ICDE resources are reported as

100 percent drug-related because the entire focus of the OCDETF Program is drug control.

Financial Systems - FMIS2 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 FMIS2 system as follows:

- a. Investigations Function - This decision unit includes the reimbursable resources that support investigative activities of the following participating agencies: the Drug Enforcement Administration; Federal Bureau of Investigation; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the U.S. Marshals Service; the OCDETF Fusion Center; and the International Organized Crime. The methodology applies 100 percent of the resources that support the OCDETF Program's investigative activities.
- b. Prosecution Function - This decision unit includes the reimbursable prosecution resources for the following participating DOJ agencies: the U.S. Attorneys; the Criminal Division; and the OCDETF Executive Office Threat Response Unit. The methodology applies 100 percent of the OCDETF Program's Prosecution resources to the Prosecution Decision Unit.

Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been modified from previous years.

Disclosure 3: Material Weaknesses or Other Findings

The OCDETF Program is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2014, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2014 *Independent Auditors' Report on Internal Control over Financial Reporting* revealed no material weaknesses.

Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2014.

**Organized Crime Drug Enforcement
Task Forces Program
Performance Summary Report**

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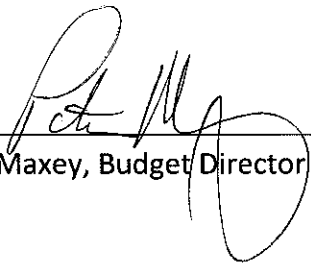
U.S. Department of Justice

Executive Office for Organized Crime Drug
Enforcement Task Forces

**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, 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 2014.
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.


Peter Maxey, Budget Director

January 16, 2015

Date

**U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces (OCDETF) Program
Performance Summary Report
Related Performance Information
For the Fiscal Year Ended September 30, 2014**

Performance Measure: Consolidated Priority Organization Target (CPOT) -Linked 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 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target*	FY 2014 Actual	FY 2015 Target
Dismantlements	128	113	145 [†]	99	123 [‡]	89
Disruptions	231 [§]	243	301 ^{**}	210	222 ^{††}	180

* The FY 2014 targets in the FY 2013 Annual Report were updated after the issue of the FY 2013 OIG Report to ONDCP.

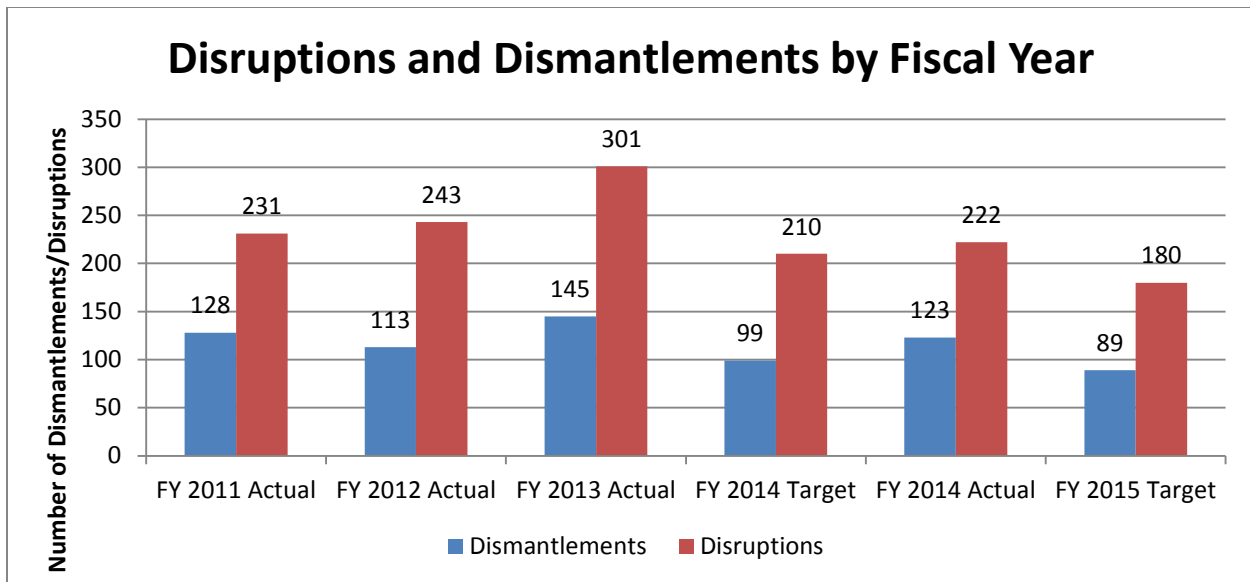
[†] Breakdown by agency for OCDETF is: 145 Dismantled (105 DEA and 40 FBI)

[‡] Breakdown by agency for OCDETF is: 123 Dismantled (96 DEA and 30 FBI). The overlap of DEA and FBI in FY 2014 results in the reduction of three Dismantlements from the total numbers.

[§] Originally, there were 230 disruptions; however, there was one additional FBI disruption counted for FY 2011 after submission of this document.

^{**} Breakdown by agency for OCDETF is: 301 Disrupted (177 DEA and 136 FBI). The overlap of DEA and FBI in FY 2013 results in the reduction of twelve Disruptions from the total numbers.

^{††} Breakdown by agency for OCDETF is: 222 Disrupted (85 DEA and 146 FBI). The overlap of DEA and FBI in FY 2014 results in the reduction of nine Disruptions from the total numbers.



Despite diminished resources, OCDETF again achieved impressive results during FY 2014 in dismantling and disrupting CPOT-linked drug trafficking organizations. OCDETF dismantled 123 CPOT-linked organizations in FY 2014, exceeding its target by 24%. OCDETF disrupted 222 CPOT-linked organizations in FY 2014, exceeding its target for disruptions by 6%. 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 2015 OCDETF Dismantlements and Disruptions (D&D) target is based on the percentage of FY 2014 OCDETF D&Ds to FY 2014 Department D&Ds, and the Department’s FY 2015 target. In FY 2014, OCDETF D&Ds accounted for 52% of the Department’s disruptions and 59% of the Department’s dismantlements. The Department’s targets for FY 2015 are 350 disruptions and 150 dismantlements. Therefore, the OCDETF D&D target for FY 2015 is 180 disruptions (or 52% of the Department’s disruptions); and 89 dismantlements (or 59% of the Department’s 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

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Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Director
United States Marshals Service
U.S. Department of Justice

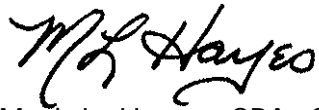
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement 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, 2014. The USMS's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the USMS prepared 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 January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2014, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, 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.

A handwritten signature in black ink that reads "Mark L. Hayes". The signature is written in a cursive, flowing style.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 16, 2015

**United States Marshals Service
Detailed Accounting Submission**

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U.S. Department of Justice

United States Marshals Service

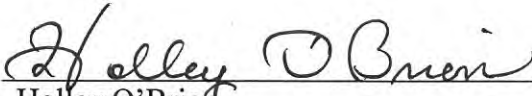
Financial Services Division

Washington, DC 20530-1000

**Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, 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 2014.
4. The USMS did not have any ONDCP Fund Control Notices issued in FY 2014.


Holley O'Brien,
Chief Financial Officer

1/16/2015
Date

U.S. Department of Justice
United States Marshals Service
Detailed Accounting Submission
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2014
(Dollars in Millions)

Drug Obligations by Budget Decision Unit and Function:		FY 2014
		Actual Obligations
Decision Unit #1: Fugitive Apprehension		
	International	\$ 1.23
	Investigations	\$ 121.86
Total Fugitive Apprehension		\$ 123.09
Decision Unit #2: Judicial and Courthouse Security		
	State and Local Assistance	\$ 74.15
Total Judicial and Courthouse Security		\$ 74.15
Decision Unit #3: Prisoner Security and Transportation		
	State and Local Assistance	\$ 40.23
Total Prisoner Security and Transportation		\$ 40.23
Decision Unit #4: Detention Services		
	Corrections	\$ 506.69
Total Detention Services		\$ 506.69
Total Drug Control Obligations: USMS		\$ 744.16

**U.S. Department of Justice
United States Marshals Service
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2014**

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 and Courthouse Security, & Prisoner Security and Transportation, are calculated using drug-related workload ratios applied to the Salaries and 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, and state and local warrants such as narcotics possession, manufacturing, and distribution. To calculate the drug-related workload percentage for this decision unit, the USMS takes the drug-related warrants cleared and divides that number by the total number of warrants cleared. For the Judicial and Courthouse Security, & Prisoner Security and 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 percentage for these two decision units, the USMS takes the primary drug-related offenses in custody and divides that number 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 obligations 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 for federal detainees remanded to USMS custody, including detainees booked for drug offenses. The FPD Appropriation funds the housing, transportation, medical care, and medical guard services for the detainees. FPD resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to the Bureau of Prisons. The FPD appropriation does not include specific resources dedicated to the housing and care of the drug prisoner population. Therefore, for the Detention Services decision unit, the methodology used to determine the cost associated with the drug prisoner population is to multiply the ADP for drug offenses by the per diem rate (housing cost per day), which is then multiplied by the number of days in the year.

Data – All accounting information for the USMS, to include S&E and FPD appropriations, is derived from the USMS Unified Financial Management System (UFMS). The population counts and the daily rates paid for each detention facility housing USMS prisoners are maintained by the USMS 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.

Financial Systems – UFMS is the financial system that provides USMS with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

The USMS drug methodology applied is consistent with prior years and there were no modifications.

Disclosure 3: Material Weaknesses or Other Findings

The USMS received an unmodified opinion (clean audit) with no reported material weaknesses or significant deficiencies in internal control over financial reporting, as well as no instances of non-compliance or other matters.

Disclosure 4: Reprogrammings and Transfers

There were no reprogrammings or transfers that directly affected drug-related budgetary resources.

**United States Marshals Service
Performance Summary Report**

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U.S. Department of Justice

United States Marshals Service

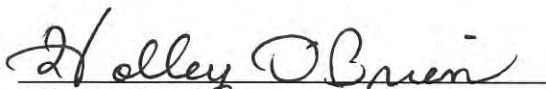
Financial Services Division

Washington, DC 20530-1000

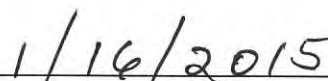
**Performance Summary Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2014**

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 January 18, 2013, we assert that the USMS system of performance reporting provides reasonable assurance that:

1. The USMS used the Justice Detainee Information System (JDIS) to capture performance information accurately and this system was properly applied to generate the performance data.
2. The USMS met the reported performance targets for FY 2014.
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.



Holley O'Brien,
Chief Financial Officer



Date

**U.S. Department of Justice
United States Marshals Service
Performance Summary Report
Related Performance Information
For Fiscal Year Ended September 30, 2014**

The USMS did not have drug-related targets for FY 2014 for performance measures 1 and 2, as agreed to by the ONDCP, but reported actual statistics on drug-related performance measures.

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 Warrants Cleared	Total Warrants Cleared	Drug-Related Warrants Cleared
2011 Actual	34.0%	136,832	46,471
2012 Actual	33.5%	138,028	46,200
2013 Actual	33.7%	130,368	43,920
2014 Actual	33.2%	127,797	42,483
2015 Estimate	33.6%		

For FY 2015, the USMS estimates 33.6% 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.¹

¹ JDIS data reports were generated 10/22-10/23/2014.

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 and Courthouse Security decision unit, and the portion of these activities respondent to drug-related offenders supports the National Drug Control Strategy. The Prisoner Security and 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 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
2011 Actual	18.0%	130,196	23,384
2012 Actual	16.5%	133,658	22,003
2013 Actual	15.2%	141,016	21,473
2014 Actual	15.7%	118,147	18,595
2015 Estimate	16.3%		

For FY 2015, the USMS estimates 16.3% 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.¹

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 services. 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 USMS can

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 difference between the 2014 Target and Actual can be attributed to the lower per diem rate(s) paid to house prisoners in private detention space and IGA facilities. To regulate the average daily rate, the USMS negotiates rates with private facilities; limits the frequency of IGA adjustments; and maintains economies of scale through partnered contracting to achieve the best cost to the Government.

Fiscal Year	\$ Per Day
FY 2011 Actual	\$72.88
FY 2012 Actual	\$74.21
FY 2013 Actual	\$74.63
FY 2014 Target	\$76.45
FY 2014 Actual	\$76.24
FY 2015 Target	\$77.37

The FY 2015 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.²

² JDIS data reports were generated in October, 2014.

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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. Information may be reported to the DOJ OIG's hotline at www.justice.gov/oig/hotline or (800) 869-4499.



Office of the Inspector General
U.S. Department of Justice
www.justice.gov/oig

TAB I: Department of Labor

Michael P. Botticelli
Director
Office of National Drug Control Policy
Executive Office of the President
750 17th Street, N.W.
Washington, DC 20503

Dear Director Botticelli:

This letter transmits the results of the Department of Labor's (Department) review of the information provided by the Employment and Training Administration's (ETA) Office of Job Corps for the Accounting of Drug Control Funds and Performance Summary Report for the program year that ended June 30, 2012. As directed by the Office of National Drug Control Policy (ONDCP) Circular, *Drug Control Accounting*, the Department conducted the annually required detailed accounting of all funds expended on National Drug Control Program activities and the results associated with those activities.

Since the Office of Job Corps reported drug-related obligations are only \$6 million, a detailed accounting would constitute an unreasonable burden to ETA. Therefore, the Department is submitting an alternative report to the Detailed Accounting Submission and the Performance Summary Report. This report was submitted to the Department's Office of Inspector General (OIG), which concluded that full compliance with the circular would constitute an unreasonable burden. The conclusion of OIG is attached for reference.

The Job Corps program, which operates on a program year (PY) basis running from July 1 to June 30, is the only program within ETA that is subject to ONDCP data reporting. The funding amount reported by the Office of Job Corps represents the amount obligated for its drug testing contract with the Center for Disease Protection (CDD) and an estimate of the salaries associated with its counselors.

CDP is a for-profit company that provides state-of-the art, low-cost diagnostics that had confirmed actual obligations of \$600,000 during FY 2014. This figure represents the total cost of a complete battery of tests Job Corps students undergo as a condition of their enrollment. Drug testing represents a small portion of the overall testing regimen, with the rest of the testing being devoted to other discoverable factors that may affect the student's health or their ability to complete the program.

The remaining \$6 million is associated with the total estimated salaries for Job Corps Training Employees Assistance Program (TEAP) counselors at each of the Job Corps Centers. The counselors are not employees of the Department; rather, they are employees of Job Corps Center contractors that operate the bulk of Job Corps centers. The methodology used by the Office of Job Corps to determine their costs is based not on direct obligations to the contractors, but on a rough estimate of the number of TEAP staff and their average salary of \$30,000. Because this calculation is based on factors that vary widely from year to year (e.g., differing

numbers of TEAP employees, variances in regional salaries, and the degree to which they have collateral duties), it is extremely difficult to project this figure with any degree of precision. Since providing an exact figure would require precise knowledge of the degree to which each TEAP employee performs drug-related activities in relationship to their total salaries, it is extremely difficult for ETA to accurately parse out the actual amounts spent on drug-related activities. While the methodology appears logical, the variables listed above mitigate against a high degree of accuracy from this model.

Equally important, ETA has previously transmitted information related to the fact that only a small percentage of the counselors' time is for counseling related to drug prevention. This has been found to be a known weakness that casts further doubt on the methodology used to calculate the staff salary portion of reported cost. A timekeeping system for these staff members that would accurately record the time spend in relation to drug prevention is extremely unreasonable given the size and focus on of the Job Corps program.

ETA reviewed the Office of Job Corps' performance data used to support Job Corps' Accounting of FY 2014 Performance Summary Report for ONDCP. As a result of that review the following determinations were made:

- 1) The performance reporting system is appropriate and applied;
- 2) The methodology to establish performance targets is reasonable and applied; and
- 3) Adequate performance measures exist for all significant drug control activity.

The Office of Job Corps has two measures: Percent of students tested for drugs upon entry, and Percent of Students placed in employment, military or higher education at exit. The review was based on the fact that all students entering Job Corps are tested. There are no exceptions to this policy. As a result, ETA has a high degree of confidence in all performance measure factors related to the results reported for this measure. However, this measure, while important for ONDCP, clearly falls outside of the purpose of Job Corps and is not useful in the management of the program.

The second measure used by Job Corps, the Percent of students placed in employment, military or higher education at exit, looked at the data structure the Office of Job Corps uses to collect this data. ETA's confidence interval of the data results reported for this measure is also high. Unlike the other measure created for ONDCP use, this measure is directly applicable to the Office of Job Corps and utilized for program management.

If you have any questions or if my office can provide additional information, please contact Rachel Torres at 202 693 3770.

Sincerely,

Ron Sissel
Comptroller
Employment and Training Administration, U.S. Department of Labor

DEPARTMENT OF LABOR
Employment and Training Administration
Office of Job Corps Performance Summary Report

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 124 Job Corps centers nationwide in 48 states, Puerto Rico, and the District of Columbia providing services to approximately 60,000 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.

PERFORMANCE

Introduction

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 non-standard fiscal year basis from July 1 through June 30 of the following calendar year, commonly known as program year (PY). These goals measure students’ credential attainment and post-program placement in jobs, advanced training, or the military. Since Job Corps is not a drug-treatment program, its measures are not related to drug education program success. The table below includes selected Job Corps performance measures, targets and achievements related to education, and employability for the most recent program years for which data are available.

Performance Measures

Percent of students tested for drugs upon entry – 100%. Job Corps provides drug testing to every new enrollee to ensure adherence to the Job Corps Zero Tolerance policy, related to drugs and violence. Percent of students 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, U. S. Department of Labor.

Prior Years Performance Target and Results

Performance Measures	PY 10 Target	PY 10 Actual	PY 11 Target	PY 11 Actual	PY 12 Target	PY 12 Actual	PY 13 Target	PY 13 Actual
Percent of Students tested for drugs upon entry	100%	100%	100%	100%	100%	100%	100%	100%
Percent of Students placed in employment, military or higher education at exit	65.3%	73.4%	66.3%	73.3%	67.3%	74.6%	74%	76.7%

Current Year Performance Targets

Performance Measures	PY 14 Target	PY 14 Actual
Percent of Students tested for drugs upon entry	100%	TBD
Percent of Students placed in employment, military or higher education at exit	77.0%	TBD

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 measures exist for all significant drug control activities.

The existing performance measures are adequate and reflect all significant drug-related activities.

TAB J: Department of State




OIG Office of Inspector General

U.S. Department of State • Broadcasting Board of Governors

FEB 24 2015

MEMORANDUM

TO: INL/RM – Max L. Aguilar 

FROM: OIG/AUD – Norman P. Brown

SUBJECT: Report on the *Independent Review of the U.S. Department of State Accounting of FY 2014 Drug Control Funds and Related Performance Report* (AUD-FM-15-21)

The subject report is attached for your information.

OIG appreciates the cooperation and assistance provided by your staff during this review. If you have any questions, please contact me, Assistant Inspector General for Audits, by email at brownnp2@state.gov. You may also contact Gayle Voshell, Deputy Assistant Inspector General for Audits, by email at voshellg@state.gov.

Attachment: As stated.

cc: INL/RM/EX – Rajesh Rajadhyaksha



OIG Office of Inspector General
U.S. Department of State • Broadcasting Board of Governors

Independent Review of the U.S. Department of State
Accounting of FY 2014 Drug Control Funds
and Related Performance Report
AUD-FM-15-21, February 19, 2015

The Office of Inspector General (OIG) has reviewed the management assertions included in the U.S. Department of State (Department) *Accounting and Authentication of FY 2014 Drug Control Funds and Related Performance Report*. This report was prepared by the Bureau of International Narcotics and Law Enforcement Affairs in accordance with the Office of National Drug Control Policy's (ONDCP) circular *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. Department management is responsible for the assertions included in the report.

OIG's review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review of management's assertions is substantially less in scope than an examination and is not intended to express an opinion. Accordingly, we do not express an opinion.

Based on our review, nothing came to OIG's attention that caused us to believe that the management assertions included in the report were not fairly stated, in all material respects, based upon the ONDCP circular. However, because the Department's Bureau of International Narcotics and Law Enforcement Affairs issued its final report after the mandated deadline, we were unable to complete our review and issue this report by February 1, 2015, as required by ONDCP circular.

This OIG report is intended solely for the information and use of Department management, ONDCP, and the U.S. Congress, and it is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Norman P. Brown". The signature is stylized with a large initial "N" and "P".

Norman P. Brown
Assistant Inspector General
for Audits



United States Department of State

Washington, D.C. 20520

MEMORANDUM

FEB 13 2015

TO: OIG/AUD/FM – Gayle Voshell

FROM: INL – Max L. Aguilar, Acting Executive Director *ma*

SUBJECT: Representations Related to the *Independent Review of the Department of State Accounting of FY 2014 Drug Control Funds and Related Performance Report*

We are providing this memorandum in connection with the Office of Inspector General's review of the Accounting of FY 2014 Drug Control Funds and Related Performance Report prepared for the Office of National Drug Control Policy (ONDCP).

We confirm, to the best of our knowledge and belief, that the following representations made to you during the review are valid as of the date of your auditor's report and pertain to the period covered by the ONDCP report:

- The Bureau of International Narcotics and Law Enforcement Affairs (INL) is responsible for the assertions made in the ONDCP report.
- INL is not aware of any information that has not been provided to the auditors that might contradict the assertions.
- INL has made all records and other information relevant to the review available to the auditors.
- INL is not aware of any events subsequent to the period covered by the report that would have a material effect on the assertions.

**U.S. Department of State
Bureau of International Narcotics and Law Enforcement Affairs**

**Accounting and Authentication of FY 2014 Drug Control Funds and Related
Performance Report**

Reference: ONDCP Circular: Accounting of Drug Control Funding and Performance Summary (January 18, 2013)

SECTION 6 Reporting – Detailed Accounting Submission

The Department is providing a Detailed Accounting Submission on the drug control program obligations of the Bureau of International Narcotics and Law Enforcement Affairs (INL) in accordance with Section 6(a) of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*. 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 6(a). Table of Prior Year Drug Control Obligations

The following table presents the obligations of the drug control budgetary resources appropriated and available in FY 2014 by Drug Control Function and Budget Decision Unit.

Bureau of International Narcotics and Law Enforcement Affairs

Drug Control Obligations (\$ in Millions):

	<u>FY 2014 Actual</u>
Drug Resources by Drug Control Function	
International	714.343
Total	714.343
Drug Resources by Decision Unit	
International Narcotics Control and Law Enforcement (INCLE)	714.343
Total	714.343
Information	
Total INCLE Budget	3,175.161

Section 6(a)(1). Drug Methodology

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 the international anticrime obligations separately from those of drug control programs through a combination of the appropriation point limitation, the allotment, and project code. This arrangement separates all the drug control obligations being reported from other funds managed by INL. The accounting reports reflect negative amounts when obligations and their associated expenditures and deobligations occur in different time periods. Thus, all expenditures and deobligations that occurred in the current year (FY 2014) that are associated with original obligations that occurred in a prior year (e.g., FY 2013), 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 6(a)(2). Methodology Modifications

No change. The process by which the levels of drug-related financial statistics identified for the bureau are calculated was not modified for this fiscal year.

Section 6(a)(3). Material Weaknesses or Other Findings

The Department conducted its assessment of the effectiveness of internal control over financial reporting in accordance with Appendix A of OMB Circular A-123. Based on the results of this assessment, the Department can provide reasonable assurance that its internal control over financial reporting as of June 30, 2014 was operating effectively and the Department found no material weaknesses in the design or operation of the internal control over financial reporting. Further, subsequent procedures and testing through September 30, 2014 did not identify any material changes in key financial reporting internal controls.

Section 6(a)(4). Reprogrammings or Transfers

There were no reprogrammings or transfers that affected FY 2014 drug-related budgetary resources.

Section 6(a)(5). Other Disclosures

There are no other disclosures to report.

Section 6(b) Assertions**Section 6(b)(1). Obligations by Budget Decision Unit**

I assert that obligations reported by budget decision unit are the actual obligations from the bureau's accounting system of record for these Budget Decision Units.

Section 6(b)(2). Drug Methodology

I assert 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 6(b)(3). Application of Drug Methodology

I assert that the drug methodology disclosed in this section was the actual methodology used to generate the table required by Section 6(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 6(b)(4). Reprogrammings or Transfers

I assert that the data presented are associated with obligations against a financial plan that was approved by ONDCP and that there were no reprogrammings or transfers affecting drug-related resources.

Section 6(b)(5). Fund Control Notices

I assert that the data presented are associated with obligations against a financial plan that was approved by ONDCP. ONDCP did not issue any Fund Control Notices to the Department in FY 2014.

For purposes of Section 6a reporting, I certify that all the information presented for the Bureau of International Narcotics and Law Enforcement Affairs (INL) is true and correct and concur with all assertions associated with INL.



Max L. Aguilar, Acting Executive Director
Bureau of International Narcotics and Law Enforcement Affairs

SECTION 7a Reporting – Performance Summary

I. PERFORMANCE INFORMATION

Decision Unit 1: International Narcotics Control and Law Enforcement

Measure 1: Poppy Free Provinces (PFP) and Provinces Reducing Cultivation (PRC) in Afghanistan

Table 1

CY 2010 Actual	CY 2011 Actual	CY 2012 Actual	CY 2013 Actual	CY 2014 Target	CY 2014 Actual	CY 2015 Target
27 total of PFP and PRC	21 total of PFP and PRC	20 total of PFP and PRC	19 total of PFP and PRC	22 total of PFP and PRC	22 total of PFP and PRC	24 total of PFP and PRC

Measure Description: The measure tracks both the number of Poppy Free Provinces (PFP), defined as provinces in Afghanistan with less than 100 hectares (ha) of illicit opium poppy cultivation, as well as the number of Provinces Reducing Cultivation (PRC), defined as provinces which reduce annual poppy cultivation by 10 percent or more that do not reach the 100 ha mark.

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 during and beyond transition in Afghanistan.

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; thereby building 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 during and beyond transition in Afghanistan.

How is this measure used by program managers? This measure is used by program managers as a general guide in annual program planning and targeting, focusing on reducing cultivation throughout Afghanistan.

CY 2014 Performance Results: The CY 2014 goal was for 17 of Afghanistan's 34 provinces to be poppy-free and for 5 provinces to reduce cultivation by 10 percent or more in 2014. The number of poppy-free provinces in 2014 was 15, just as it was in 2013. However, the level of cultivation in Baghlan and Sari Pul remained very low (168 and 195 hectares, respectively) and only slightly above the 100-hectare threshold that defines poppy-free status. According to the United Nations Office on Drugs and Crime (UNODC), seven provinces reduced illicit cultivation by more than 10 percent in 2014.

According to UNODC, opium poppy cultivation in Afghanistan covered 224,000 hectares in 2014, 7 percent higher than the 209,000 recorded the previous year. Potential opium production rose 17 percent over the same period from 5,500 to 6,400 tons. A total of 2,692 hectares of verified poppy eradication was carried out under the Afghan Ministry of Counter Narcotics' Governor-Led Eradication (GLE) program, representing a decrease of 63 percent compared to 2013 when 7,348 hectares of poppy were eradicated. Poppy cultivation increased in 2014 for several reasons, including lack of security in parts of Afghanistan, political uncertainty during an election year, and economic insecurity exacerbated by the delay in the signing of the Bilateral Security Agreement. The vast majority (98 percent) of total opium poppy cultivation took place in 11 provinces in Afghanistan's Southern, Western, and Eastern regions, which include the most insecure provinces in the country. This year saw nearly 67 percent of opium poppy cultivation concentrated in Hilmand, Kandahar, Uruzgan, Day Kundi and Zabul provinces in the south; almost 22 percent in Farah, Hirat, Badghis, Ghor, and Nimroz provinces to the west; and 8 percent in Nangarhar province in the east. Anti-government elements (AGE) and drug traders are very active in the Western region where Badghis, Farah and Nimroz provinces are known to contain organized criminal networks. While AGE strongholds are in the Southern provinces, the link between lack of security and opium cultivation was also evident in Nangarhar province in the Eastern region and in Kabul province in the Central region, where cultivation was concentrated in districts classified as being of high or extreme security risk. In addition, the Afghan presidential election diverted attention and resources from eradication efforts in 2014.

CY 2015 Performance Target: The target for CY 2015 is 16 PFP and 8 PRC.

Data Collection and Validation:

Data Source: Annual results are reported in the annual Afghanistan Opium Survey 2014 produced jointly by UNODC and the Afghan Ministry of Counter Narcotics (MCN) with funding from INL and other donors. The State Department targets are part of the Foreign Assistance Performance Plan and Report. INL utilizes the UNODC Opium Cultivation Survey for the purposes of the Department of State’s annual performance reporting on this metric.

Methodology for Setting Targets and Reporting Results: The out-year targets assume a gradual increase from actual 2014 results.

Process for Validating Performance Information: The UNODC Afghanistan Opium Survey is released at the end of each year and is used to inform U.S. counternarcotics policy and programmatic decision making. U.S. experts participate in biannual meetings of an oversight and management board for this survey, convened jointly by UNODC and MCN. The trends and data in the UNODC survey are compared against the official U.S. government estimate published by the Office of National Drug Control Policy in late winter or early spring of each year.

Decision Unit 1: International Narcotics Control and Law Enforcement

Measure 2: Hectares of coca eradicated in Colombia and Peru

Table 2

CY 2010 Actual	CY 2011 Actual	CY 2012 Actual	CY 2013 Actual*	CY 2014 Target*	CY 2014 Actual*	CY 2015 Target*
123,194 hectares	157,691 hectares	156,321 hectares	92,956 hectares	99,000 hectares	98,456 hectares	88,000 hectares‡

* CY 2013-2015 targets and actual data do not include Bolivia because U.S. direct operational support ended in 2013.

‡The CY 2015 target, which includes figures for Colombia and Peru, is likely to be revised as Peru is expected to revise its official goal for 2015, 26,000 hectares.

Measure Description: This performance measure tracks the amount of coca leaf that is forcibly or voluntarily eradicated in Colombia and Peru on an annual basis. The coca cultivation metric is the number of hectares eradicated.

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 aerial and 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 the 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.

CY 2014 Performance Results: Two countries conducted eradication with U.S.-support in CY 2014, with Peru surpassing its goal and Colombia falling just shy. Eradication is a critical component of the U.S. government's counternarcotics strategy in the Andean region but is not the only metric used in determining success. Eradication is measured by calendar year rather than fiscal year (October-September). The CY 2014 Target was revised from last year. The CY 2014 target was initially set at 65,000 hectares in the FY 2013 Drug Control Funds and Related Performance Report. The 65,000 hectares target was technically comprised of 30,000 for Peru and 35,000 for Colombia; however the CY 2014 target for

Colombia was still under review by INL and the Colombian Ministry of Defense at the time of the report and, thus, did not include a number for aerial eradication. Colombia's goals for aerial and manual eradication were revised based on evolving external and internal alterations to the program. Ultimately, the CY 2014 targets for Colombia were to eradicate 69,000 hectares, including 55,000 aerially and 14,000 manually. Colombia eradicated a total of 67,256 hectares in CY 2014, including 55,553 aerially and 11,703 manually. Peru eradicated 31,200 hectares in CY 2014. Combined, the two countries eradicated a total of 98,456 hectares.

Colombia's manual eradication program, supported by INL, again did not reach its goal in 2014 on account of several complex factors. (It should be noted that INL's support for Colombia's manual eradication program is approximately 6.7 percent of the support provided to aerial eradication.) Major factors that contributed to falling short of the 2014 goal again mirror those from 2013. They include nationwide civil unrest blocking access roads, troop availability issues, and security challenges. An additional complication in 2014 included two rounds of Presidential elections which diverted much needed resources from manual eradication missions.

These factors have the potential to be mitigated in 2015 through potential program modifications, but change remains largely dependent on the Colombian government's willingness to continue aerial eradication at its current capacity and bolster manual eradication. The peace negotiations between the Colombian government and the Revolutionary Armed Forces of Colombia (FARC) may also affect eradication goals in the future.

CY 2015 Performance Target: The overall CY 2015 eradication performance target for Colombia is 62,000 hectares, including 45,000 for aerial and 17,000 for manual. The 17,000 hectare target for manual eradication, if maintained, will not become official until early CY 2015. The CY 2015 eradication target for Peru – 26,000 hectares – is under review.

Colombia's relatively low aerial eradication goal of 45,000 hectares demonstrates, in part, the effectiveness and success of the aerial eradication program. In those areas open to aerial eradication, there has been a continuous decrease in the amount of coca production, field density, coca density, and field size. All these are indicators the program is forcing the cessation and migration of coca cultivation. However, if persistent pressure in these areas is not maintained, a resurgence of production will occur and the gains made by the program will be systematically lost.

Peru continues to demonstrate strong political will and provides financial support to the INL section in meeting increasingly aggressive coca eradication goals.

Data Collection and Validation:

Data Source: The measure uses information reported by country programs on a calendar year basis. The target is from the most recent Foreign Assistance Performance Plan and Report.

Methodology for Setting Targets and Reporting Results: The embassy country teams consult subject area experts in Washington and in the field and consider past performance and trends, policy priorities and long term goals, relevant conditions on the ground, and resource levels in setting performance targets. The targets are set and results 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.

Process for Validating Performance Information: Eradication data provided by embassies is the best data available to the U.S. government regarding U.S. government and host government coca eradication. INL receives this data from embassies and it is our understanding that this information has undergone a Data Quality Assessment (DQA) and is accurate, complete, and unbiased.

II. ASSERTIONS

I assert that the performance reporting system is appropriate and applied. 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 Foreign Assistance Coordination and Tracking System (FACTS) Info. INL has not directly observed these parties 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.

I assert that the explanations for not meeting performance targets are reasonable and recommendations for meeting future targets or for revising or eliminating performance targets are also reasonable.

I assert that the methodology to establish performance targets is reasonable and applied.

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

For purposes of Section 7a reporting, I assert that the methodology disclosed in this report was the actual methodology used to generate the performance data included here.

Max L. Aguilar, Acting Executive Director
Bureau of International Narcotics and Law Enforcement Affairs





USAID
FROM THE AMERICAN PEOPLE

April 2, 2015

Jon E. Rice
Associate Director for Performance and Budget
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Mr. Rice:

In accordance with the Office of National Drug Control Policy Circular, Drug Control Accounting, dated January 18, 2013, the United States Agency for International Development (USAID) is submitting its Accounting and Authentication of FY 2014 Drug Control Funds and Related Performance Report. The Inspector General's attestation report is enclosed.

For the purposes of Section 6 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 6. For the purposes of Section 7 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 certifications given by others.

If you would like to address any questions associated with our submission, please call me on (202) 567-4793.

Sincerely,

Kent Kuyumjian
Acting Chief Financial Officer

Enclosures:

- 1) Accounting and Authentication of Drug Control Funds and Related Performance Report
- 2) USAID Inspector General Attestation Report
- 3) FY2014 Independent Auditors' Report
- 4) FY2014 Management Comments (Appendix II, Financial Section, USAID FY 2014 Financial Report)

Agency for International Development

Accounting and Authentication of Drug Control Funds and Related Performance Report for 2014

Reference: ONDCP Circular: Drug Control Accounting (January 18, 2013)

6. Detailed Accounting Submission

6. a. Table of Prior Year Drug Control Obligations

Table 1 2014						
Agency for International Development						
Drug Control Obligations:						
						\$ In Millions
						FY 2014
						Actual
Drug Resources by Drug Control Function						
International						133.7
				Total		133.7
Drug Resources by Decision Unit						
Alternative Development and Alternative Livelihoods-Afghanistan						47.2
Alternative Development and Alternative Livelihoods-Andean Region						86.5
				Total		133.7
Drug Resources by Function and Decision Unit						
International-Alternative Development and Alternative Livelihoods-Afghanistan						47.2
International-Alternative Development and Alternative Livelihoods-Andean Region						86.5
				Total		133.7
Information						
Total Agency Budget*						10,433
Drug Related Percentage**						1.28%
* USAID 2014 Agency-wide Appropriations per 2014 Statement of Budgetary Resources						
** Total Drug Control Obligations divided by Total Agency Budget						

6. a. (1) Drug Methodology

All obligations provided in Table 1 were made from funds available during FY 2014, including any non-expired (multi-year) appropriations and are classified in USAID's accounting system of record in program area "1.4.2 - Alternative Development and Alternative Livelihood". USAID incurred these obligations during FY 2014.

At the request of ONDCP, we also report herein that during FY 2014 USAID obligated \$10 Million in the Andean Region from funds appropriated in FY 2014. This amount is included in Table 1, above.

6. a. (1) (a) Obligations by Budget Decision Unit

Table 1 shows Obligations by Decision Unit. All of the reported obligations supported programs in the decision units as defined for USAID in the ONDCP Circular, *Budget Formulation*, January 18, 2013.

6. a. (1) (b) Obligations by Drug Control Function

Table 1 shows Obligations by Drug Control Function. All of the reported obligations by Drug Control Function are calculated pursuant to a drug methodology.

6. a. (2) Methodology Modifications

The drug methodology for 2014 has been modified from the previous year, 2013 to include the funds available during FY2014, including any non-expired (multi-year) appropriations as defined in the ONDCP Circular, *Budget Formulation*, January 18, 2013. In the previous year, the table provided only obligations from the funds appropriated in the year being reported.

6. a. (3) Material Weaknesses or Other Findings

As identified in the U.S. Agency for International Development (USAID) Government Management Reform Act of 1994 audit and feedback provided in the enclosed FY2014 Independent Auditors' report (Enclosure 3), the Office of Inspector General (OIG) has issued a disclaimer of opinion on USAID's financial report with respect to the material weaknesses in USAID's reconciliation of its Fund Balance With Treasury account with Treasury and recording of adjustments to its general ledger. For each material weakness, corrective actions currently underway as identified in Management Comments (Enclosure 4).

6. a. (4) Reprogrammings or Transfers

USAID did not submit any reprogrammings or transfers to ONDCP in FY 2014.

6. a. (5) Other Disclosures

There is no other disclosure necessary to clarify any issues regarding the data reported under this circular.

6. b. Assertions

6. 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.

6. 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 (c) 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.

6. b. (3) Application of Drug Methodology

The drug methodology disclosed in section 6 a. (1) Drug Methodology, above, was the actual methodology used to generate Table 1, above.

6. b. (4) Reprogrammings or Transfers

The data presented in Table 1, above, are associated with 2014 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 2014.

The financial plan against which the obligations in Table 1, above, are associated is USAID's FY 2014 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 Element A016 (Alternative Development and Alternative Livelihoods).

6. b. (5) Fund Control Notices

Not applicable. ONDCP did not issue any Fund Control Notices to USAID in FY 2014.

7. Performance Summary Report

Decision Unit: The Andean Region

ANDEAN PERFORMANCE SECTION OF THE FY 2014 ACCOUNTING REPORT

Measure I: Number of full-time equivalent (FTE) jobs created by USG sponsored alternative development or alternative livelihood activities.

Table 1: Measure I

Baseline	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target	FY 2016 Actual	FY 2017 Target
16,399	10,000	16,399	12,000	15,763	13,500	14,450	14,000	24,862	25,000	35,000	35,000

(1) Describe the measure:

The generation of adequate and reliable incomes from licit crops is an essential factor in a farmer's decision to give up coca cultivation and adopt a licit lifestyle. A recent evaluation of the AD program in Peru found that, for a farmer to remain committed to licit crops, his/her income could be less than the household previously earned with coca, if it was sufficient to meet basic needs and provide a surplus that the family could invest in its farm to create long-term wealth. USAID has to date focused income-generation alternatives in AD communities around three crops—cacao, palm oil and coffee—and has worked to strengthen market channels that can absorb large numbers of new entrants successfully, thus encouraging new communities to leave coca in pursuit of licit livelihoods. USAID's focus is on these three crops, adding other primary crops only where there is clear evidence that ready and willing buyers are available; that markets can accommodate new entrants; that tested and proven production packages are accessible; that producers can verify success; and that the crops are suited for the local growing conditions.

(2) Discuss performance results for FY 2014:

In FY 2014, USAID created nearly 25,000 new jobs and assisted over 34,258 families, reaching farmers on over 52,000 ha of alternative crops, 13,722 of which were newly planted. USAID also completed 14 technology centers ("telecentros") as part of its Digital Inclusion Program, bringing the total completed to 29 out of 30 planned centers. USAID finalized direct agreements with two large coffee cooperatives for the first time, signed a major Development Credit Authority program with local lenders, and made significant progress in advancing Peru's entry into the world chocolate market. For the first time, Peru began to directly implement an integrated AD strategy, taking advantage of new legislation that allows its counternarcotic agency (DEVIDA) to finance individual producers.

The 2014 target was exceeded by more than 10% due to an increase in the hectares

assisted by the Economic Development Alliance for San Martin, a Global Development Alliance (GDA) implemented by TechnoServe, Inc. USAID reached more than its planned number of beneficiaries and covered more hectares than expected in the San Martin region and, therefore, allowed for the creation of more licit jobs during the period. This was accomplished by engaging a series of allies, in particular local governments implementing Government of Peru-funded projects, to adopt improved agricultural techniques that enabled a larger workforce demand in the region.

(3) Discuss the appropriateness of the target for FY 2015:

The 2015 increased target includes planned levels with ongoing and new activities. As new activities are defined, the targets will be revised accordingly. The target for women is calculated at the rate of 24% per year.

(4) Discuss the procedures for collection of valid data and targets:

The measure is constructed from the number of days of work generated in by the following activities: installation, maintenance and production of cocoa and other crops; and the number of acres worked during each activity or stage.

Step 1: the number of acres worked at each stage/activity (hectares) is calculated.

Step 2: the number of workdays for each stage and cultivation (days per hectare) is established.

Step 3: the total number of wages is calculated by multiplying the number of hectares by the number of days per stage/activity.

Step 4: the total number of jobs is calculated by dividing the total number of workdays by 200, the average number of working days per year.

Measurement Frequency: Annual

Source of data: Monitoring and Evaluation System Alliance

Responsible: Monitoring and Evaluation Partnership

Measure II - Hectares of alternative crops targeted by USG programs under cultivation

Baseline	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target	FY 2016 Actual	FY 2017 Target
37,461	35,000	37,461	40,000	37,540	32,000	35,317	35,000	52,743	50,000	55,000	55,000

(1) Describe the Measure:

USAID works primarily with the Government of Peru (GOP) and its counter-narcotics agency (DEVIDA), to increase agricultural alternatives to illicit coca production and improve state services to rural populations in former coca-growing regions of Peru.

Alternative Development is the third leg of a three-part strategy for combatting cocaine production in Peru, the other two being the eradication and interdiction efforts carried out by other USG agencies such as, the Department of State's International Narcotics and Law Enforcement Bureau (INL) and the Drug Enforcement Agency (DEA), respectively.

USAID's AD Program, in collaboration with the GOP, planted more than 73,000 hectares (ha) of cacao, coffee, and oil palm in Peru's San Martín, Huánuco, and Ucayali regions since 2002 and provided substantial support for institutional and community development. The AD successes in the San Martín region established the initial foundations for competitive value chains around cacao and coffee in the Amazon Basin. Many of the current projects are designed to improve AD value chains with a focus on cacao and coffee by pursuing high value and fast growing markets while promoting economies of scale and enhanced domestic and international competitiveness.

(2) Discuss performance results for FY 2014:

The FY 2014 target for hectares of alternative crops targeted by USG programs under cultivation was exceeded because, in prior years, we limited reporting for the Peru Cacao Alliance to only the newly planted hectares in a given fiscal year. Upon reflection, we consider that work to improve productivity on established cacao farms, as well as to introduce the fine-flavored varieties mentioned earlier, are also correctly considered as part of this indicator. We have adjusted the targets for 2015 through 2017 to be consistent with this new methodology.

(3) Discuss the appropriateness of the target for FY 2015:

Future targets have been adjusted due to a change in reporting methodology that no longer limits reporting to newly planted hectares in a given fiscal year, but is inclusive of all hectares targeted by USG programs under cultivation.

We assisted beneficiaries with the cultivation of 52,743 hectares of alternative crops. Cacao accounted for 46,576 of the total hectares, while coffee accounted for 6,168 hectares. This year, funds allowed for the planting of approximately 13,722 new hectares, for a total of 60,973 new hectares of licit crops over the last six years.

(4) Discuss the procedures for collection of valid data and targets:

The implementers are required to keep track and report on the new hectares that are planted and those where the new production techniques are applied, and we use their reports to record the jobs data which is derived from these figures. There is an annual verification exercise led by DEVIDA, with our team's participation, which involves randomly selected households who are interviewed and data collected the old fashion paper way, which gives us confidence in the accuracy of the data reported.

Measure III Total public investment in consolidation zones (USD million)

Baseline	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target	FY 2016 Actual	FY 2017 Target
				968	366	410	291	421	425	425	

(1) Describe the Measure:

In 2014, USAID provided direct support for implementation of the Government of Colombia's (GoC) National Consolidation Plan (NCP). The NCP's overarching objective is to establish, strengthen and consolidate state presence in 58 strategically-prioritized, conflict affected areas of the country, thereby improving security, provision of public services, and creating conditions for lasting rural socio-economic development. USAID also supported the GOC's efforts to provide land titles, including to small farmers (formalization), as well as support the GOC's efforts to return and title lands that have been forcibly taken (restitution).

Total funds invested in consolidation zones by the national entities. Consolidation Zones are municipalities where the GoC's NCP is being implemented. The NCP's objective is to bring state presence and integrated development to municipalities that have been affected by illicit activities.

(2) Discuss performance results for FY 2014:

The Plan Nacional de Consolidación Territorial (PNCT) tracks funding commitments made by central government agencies to consolidation municipalities. PNCT accelerated its expenditure in 2014 as a result of improved institutional capacity, coordination and support. This included new leadership and better budget management. USAID makes its best effort to estimate targets; however these funding commitments greatly change over time. (This indicator has been dropped in FY 2014).

(3) Discuss the appropriateness of the target for FY 2015:

GOC's budget planning information is incomplete for the coming years. Targets will be revised when more information is available. The information for this indicator comes from the Colombian Consolidation Unit (UACT). The UACT tracks funding commitments made by central government agencies to consolidation municipalities. USAID makes its best effort to estimate targets. These funding commitments change over time.

(4) Discuss the procedures for collection of valid data and targets:

The data source for this measure is followed up and reported by USAID, derived from the PNCT. It has been difficult to attain consistent information from the PNCT. USAID requests information for this measure through different channels: (a) at the general manager's level, and (b) at the regional office's level. Both channels have proven unreliable sources of investment figures. Therefore, no data has been registered yet.

Measure IV Number of rural households benefiting directly from USG interventions

Baseline	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target	FY 2016 Actual	FY 2017 Target
				1,797	16,000	14,554	12,000	20,572	10,000	8,250	

(1) Describe the Measure:

This measure applies to Colombia. A household is considered 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 or s/he comes into direct contact with the set of interventions provided by the project. Beneficiaries include the households of people receiving the goods and services of an implementing partner or participate in training (knowledge or skills imparted through interactions that are intentional, structured, and designed for this purpose). Rural is defined as all areas in the outskirts of the municipal center.

(2) Discuss performance results for FY 2014:

A set of advance activities initiated in FY2013 were reported in FY2014 under the Consolidation and Enhanced Livelihoods Program (CELI) in the central region of the country.

Rapid response activities and training are the main causes of the deviation in CELI’s northern and southern regions. More people than originally planned participated in these activities. Most of the numbers come from trust building activities (rapid response), that are considered part of their community development council strengthening work. These data was not collected in a gender disaggregated form, though it will be in the future.

(3) Discuss the appropriateness of the target for FY 2015:

In FY 2014, activities reporting under this indicator excluded gender disaggregated data. FY2015 targets will report gender data.

(4) Discuss the procedures for collection of valid data and targets:

Implementing partners are trained in data collection and processing, including in the internal mechanisms developed for data quality checking.

Processes, methodologies and tools differ among the various monitoring and evaluation (M&E) systems. This indicator should be analyzed on a case by case basis and comparisons should be done carefully as to avoid combining scales or interpretation of rural households.

Some implementing partners reconstructed six months of historical data at the time the current Monitor system was launched. At this time, the Monitor system receives timely quarterly information from the implementing partners.

Citizen identification numbers known as “cédulas” are used to calculate head of household for the families receiving services during the quarter. Disaggregation is recorded in the beneficiary form.

Decision Unit: Afghanistan

**AFGHANISTAN PERFORMANCE SECTION OF
THE FY 2014 ACCOUNTING REPORT**

Table 1: Measure I

Hectares of alternative crops targeted by USG programs under cultivation.

FY 2009 Actual	FY 2010 Target	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
58,010	50,000	118,789	14,736	58,802	20,115	4,147	3,285	8,446	2,000	742	4,493

(1) Describe the measure: This measure tracks the land area used to produce licit agricultural or forest products, as a result of alternative development programs in Afghanistan. As sustainable, licit agricultural or forestry activities are expanded in an area, the amount of land available for production of drug crops is reduced.

(2) Discuss performance results for FY 2014: The reduced number of hectares of targeted alternative crops did not meet its target. This was the results of vetting of several sub-contractors that are key to implementation took several months to complete. The prolonged vetting process made it impossible to sign contracts with the respective companies for timely implementation. These delays significantly affected the agricultural portfolio's overall performance this fiscal year, including the activities this indicator tracks.

(3) Discuss the appropriateness of the target for FY 2015: The FY 2015 target is based on information in the Regional Agricultural Development Program (RADP) North, West and South contracts. These activities are in the start up phase. The activities that have historically contributed to this indicator - Incentives Driving Economic Alternatives for the North, East (IDEA-NEW) and Commercial Horticulture and Agriculture Marketing Project (CHAMP) - are in close-out and minimum targets came from these activities for 2015. A robust basis will be established for this indicator following the baseline assessment for RADP North and West.

(4) Discuss the procedures for collection of valid data and targets: Data on hectares of land devoted to licit activities is collected by the program implementers (usually contractors or grantees) who provide technical and/or marketing support to farmers, producer associations, and communities.

As the security situation allows, USAID Contracting Agreement Officer's Representatives (C/AORs) and on-site monitors are responsible for visiting project sites to review methodologies for collecting data to ensure that they are conceptually sound and are actually being used in the data collection. USAID Missions are also required to carry out data quality assessments for all activities under their strategic objectives at least

once every three years to ensure that all performance data meets data quality standards for validity, integrity, precision, reliability, and timeliness.

CORs and AORs review data submitted by implementers to assess the general accuracy and presentation of quarterly performance reports. If this review results in questions or concerns, the C/AOR resolves these issues in discussions with the implementing partner. Targets are established by considering a range of data sources including relevant sector studies, household data surveys, program and project reports, and existing achievements and trends by project implementers. Targets are also based on current and future estimated budgets, maintenance costs for ongoing activities, consultations with technical personnel, and site visits with groups or associations of farmers.

Measure II: The number of beneficiaries assisted.

Table 1: Measure II

Number of individuals who have received USG supported short-term agricultural sector productivity training or food security training.

FY 2009 Actual	FY 2010 Target	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
163,638	100,000	633,876	107,548	627,127	100,000	199,245	35,192	53,030	15,000	25,802	34,150

Table 2: Measure II

Net (total) increase in private sector employment for farms and agribusiness (full-time equivalent FTE) by USG-sponsored alternative development or alternative livelihood or agricultural activities.

FY 2010 Target	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
22,077	89,702	48,584	63,198	50,223	12,081	3,500	4,565	2,500	6,809	2,185

Table3: Measure II

Number of households benefitted by agriculture and alternative development interventions in targeted areas.

FY 2010 Target	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	FY 2012 Target	FY 2012 Actual	FY 2013 Target	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
800,000	493,360	200,864	707,944	200,000	306,941	57,088	154,763	11,500	25,316	45,443

(1) Describe the measure: The performance indicators in Tables 1, 2, and 3 measure the number of people trained under agriculture and alternative development programs, the number of jobs that are created, and the number of rural households benefiting directly from USG interventions in Afghanistan.

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.

Full-time equivalent jobs are defined as the change (positive or negative) in the number of persons employed directly by assisted farms and agribusinesses in the private sector. The net change is tracked quarterly and aggregated for reporting on the year. The employed comprise all persons of working age, in paid employment or self-employment (especially relevant for farmers), who performed work for wage, salary, profit, or family gain, in cash or in kind. The employed may be full-time, part-time, or temporary employees (all converted to full-time equivalent figures). Persons of working age include all those aged between 15 and 65.

(2) Discuss performance results in FY 2014: In FY 2014 25,316 households benefiting from agriculture and alternative livelihood interventions. This represented a 220 percent increase over the target number of households (11,500) as (1) the targets for Kandahar Food Zone (KFZ) were not included at the time of planning and reporting last year; (2) a grant agreement from the Incentives Driving Economic Alternatives for the North, East, and West (IDEA-NEW) program focusing on this intervention area and executed after the planning and reporting last year resulted in higher than planned results; and (3) Regional Agricultural Development Program - South (RADP South) experienced an unexpected village level demand that resulted in higher than targeted figures for this indicator. The number of new direct jobs (measured as full-time equivalent) created by USG-sponsored alternative development totaled 6,809, exceeding the target of 2,500.

(3) Discuss the appropriateness of the target for FY 2015: The portfolio of activities reporting on this indicator is in transition. The out-year targets are currently based on information in the Regional Agricultural Development Program (RADP) North, West and South, and Capacity Building and Change Management Program (CBCMP) II contract, which are in the startup phase. The projects that have contributed to this indicator in the past - Incentives Driving Economic Alternatives in the North, East, and West (IDEA-NEW), Agricultural Credit Enhancement (ACE), Kandahar Food Zone (KFZ) and Commercial Horticulture and Agricultural Marketing Program (CHAMP) - are in close-out and minimum targets came from these activities for 2015.

(4) Discuss the procedures for collecting of valid data and targets: Data on creation of licit jobs is collected from a variety of sources, including relevant literature and sector studies, household surveys, market trends and from our project implementers, who are

providing technical assistance or other support to private firms, cooperatives, producer associations and other groups that are hiring additional workers. These jobs are usually associated with the creation of a new enterprise, the expansion of an existing enterprise or the production of a new crop, commodity, or product. In cases where the number of farms or agribusinesses is not too large, the data is collected from each individual entity.

As the security situation allows, project managers, and on-site monitors are responsible for visiting project sites 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.

8. Inspector General Authentication

See OIG Report, attached.

9. Unreasonable Burden

Not applicable. USAID's obligations exceed the \$50 million threshold level for simplified reporting.



Office of Inspector General

April 9, 2015

Independent Accountant's Report

We have reviewed the accompanying detailed accounting submission of the U.S. Agency for International Development (USAID) for the year ended September 30, 2014. USAID's management is responsible for the submission.

Our review was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the detailed accounting submission and performance summary report. Accordingly, we do not express such an opinion.

USAID's management prepared the submission and performance summary report to comply with the requirements of the Office of National Drug Control Policy (ONDCP) Circular, "Accounting of Drug Control and Performance Summary," dated January 18, 2013.

Based on our review, except as noted in footnote 1, nothing came to our attention that caused us to believe that the detailed accounting submission and performance summary report for the year ended September 30, 2014, are not fairly stated, in all material respects, in conformity with the criteria set forth in the circular.

The obligation amounts in the submission come from USAID's financial systems.¹ The amounts and measures for the performance summary report come from the full performance plan reports (PPRs).

This report is intended solely for the information and use of ONDCP in meeting its statutory obligation to provide an accounting of the past year's drug control funds and performance. It is not intended to be and should not be used by anyone other than these specified parties.

Nathan Lokos
Assistant Inspector General for Audit

¹ On November 17, 2014, OIG issued *Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013* (No. 0-000-15-001-C), in which we were unable to render an opinion because of material unsupported adjustments USAID made to reconcile its general and subsidiary ledgers. We did not perform any additional tests during this review to verify the accuracy of the reported amounts.



Office of Inspector General

November 17, 2014

MEMORANDUM

TO: Reginald W. Mitchell, Chief Financial Officer

FROM: Nathan Lokos, AIG/A *NLS*

SUBJECT: Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013
(Report No. 0-000-15-001-C)

The Office of Inspector General (OIG) is transmitting its report on the *Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013*. Pursuant to the Government Management Reform Act of 1994, Public Law 103-356, USAID is required to prepare consolidated financial statements for each fiscal year. Office of Management and Budget (OMB) Circular A-136, "Financial Reporting Requirements," requires USAID to submit a Performance and Accountability Report, including audited financial statements, to OMB, the Department of the Treasury, and the Government Accountability Office by November 17, 2014. In accordance with the requirements of OMB Circular A-136, USAID has elected to prepare an alternative Agency Financial Report with an Agency Head Message, Management's Discussion and Analysis, and a Financial Section.

OIG was engaged to audit the accompanying financial statements of USAID for fiscal years 2014 and 2013. We were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion. Accordingly, we did not express an opinion on those financial statements. With respect to internal control, we identified one deficiency that we consider a material weakness. The material weakness pertains to USAID's process for reconciling its fund balance with the U.S. Treasury. Additionally, we identified five deficiencies in internal control that we consider significant deficiencies. The significant deficiencies pertain to USAID's processes for (1) deobligating unliquidated obligations, (2) liquidating advances, (3) supporting payroll deductions, (4) reconciling intragovernmental transactions, and (5) complying with federal accounting standards for reimbursable agreements.

We found no instances of substantial noncompliance with federal financial management systems requirements, federal accounting standards, or the U.S. General Ledger at the transaction level as a result of our tests required under Section 803(a) of the Federal Financial Management Improvement Act of 1996 (FFMIA), Public Law 104-208. However, we reported one significant deficiency in our annual audit of the Agency's Compliance with the Federal Information Security Management Act, Report No. A-000-15-003-P, dated October 30, 2014, which we classified as an instance of substantial noncompliance with FFMIA as required by OMB Bulletin 14-02, "Audit Requirements for Federal Financial Statements."

U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, DC 20523
<http://oig.usaid.gov>

This report contains seven recommendations to improve USAID's internal control over financial reporting.

We have considered your response to the draft report and the recommendations included therein. Your comments appear in their entirety in Appendix II. We acknowledge your management decisions on the recommendations. Please forward all information to your Office of Audit Performance and Compliance for final action.

We appreciate the cooperation and courtesies extended to us during the audit and look forward to working with you on next year's audit.

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of USAID, which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of net cost, consolidated statements of changes in net position, and combined statements of budgetary resources for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting our audits in accordance with auditing standards generally accepted in the United States of America; generally accepted government auditing standards issued by the Comptroller General of the United States; and OMB Bulletin 14-02, "Audit Requirements for Federal Financial Statements." Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

In an effort to reconcile its Fund Balance With Treasury general ledger account with the balance reported by the U.S. Treasury (Treasury), USAID recorded over 12,000 entries totaling \$4.2 billion to bring its general ledger into agreement with its subsidiary ledger and submitted an amended SF-224, Statement of Transactions, to Treasury to agree its Fund Balance With Treasury general ledger account with Treasury's balance. Despite the adjustments, differences still exist between its general ledger and its subsidiary ledger and a difference of \$158 million remained between USAID and Treasury. USAID was unable to provide sufficient support to validate the adjustments and we were not able to extend our audit procedures or perform alternative procedures to do so. These adjustments resulted in changes to the accounts and statements as indicated in Table 1.

**Table 1. Net Effect of
General Ledger to Subsidiary Ledger Adjustments**

Account Name	Net Adjustments (\$ thousands)	Absolute Adjustments (\$ thousands)	Statement (FY 2014)
Fund Balance with Treasury	352,834	352,834	Balance Sheet
Advances	36,187	36,187	Balance Sheet
Accounts Payable	(304,146)	304,146	Balance Sheet
Unapportioned Authority	(38,727)	38,727	Statement of Budgetary Resources
Undelivered Orders-Obligations Unpaid	(88,210)	88,210	Statement of Budgetary Resources
Undelivered Orders-Obligations Prepaid/Advance	(356,606)	356,606	Statement of Budgetary Resources
Delivered Orders-Obligations Unpaid	(233,384)	233,384	Statement of Budgetary Resources
Delivered Orders-Obligations Paid	716,563	716,563	Statement of Budgetary Resources
Prior Period Adjustment Due to Correction of Errors	(84,679)	84,679	Balance Sheet/Statement of Changes in Net Position
Total		2,211,336	

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Emphasis of Matter

In our report dated December 16, 2013, we expressed an opinion that the 2013 financial statements presented fairly, in all material respects, USAID's assets, liabilities, and net position; net costs; changes in net position; and budgetary resources, in accordance with accounting principles generally accepted in the United States of America. As described in Note 19 to the financial statements, USAID restated its 2013 financial statements. Accordingly, our present opinion on the restated 2013 financial statements, as presented herein, is different from that expressed in our previous report.

Report on Other Legal and Regulatory Requirements

The Management's Discussion and Analysis and Required Supplementary Information sections are not required parts of the consolidated financial statements but represent supplementary information required by OMB Circular A-136, "Financial Reporting Requirements." We have applied certain limited procedures to this information, primarily consisting of inquiries of management regarding the methods of measurement and presentation of this information. However, we did not audit this information, and accordingly, we do not express an opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our reports, dated November 17, 2014, on our consideration of USAID's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contract, and grant agreements. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report.

Restriction on the Use of the Audit Report

This report is intended solely for the information and use of those charged with governance at USAID (the USAID Administrator, Deputy Administrator, Assistant Administrator for Management, and Chief Financial Officer) and others within USAID, as well as for OMB, Department of Treasury, Government Accountability Office and Congress, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.



USAID Office of Inspector General
November 17, 2014

MANAGEMENT COMMENTS



MEMORANDUM

November 15, 2014

TO: Nate Lokos, AIG/A

FROM: Reginald W. Mitchell, Chief Financial Officer (M/CFO)

SUBJECT: Management Response to Draft Independent Auditor's Report on USAID's Financial Statements for Fiscal Years 2014 and 2013

Thank you for the opportunity to review the draft report. Regarding your basis for disclaimer of opinion, we offer the following response:

In FY 2014, USAID initiated an expanded effort to comprehensively reconcile the general ledger (GL) with the subsidiary ledgers (SL) to fully address our Funds Balance with Treasury material weakness. Given the scope of the effort and our engagement with the Office of Inspector General, we are disappointed that this resulted in a disclaimed opinion for the FY 2014 Agency Financial Statements, as well as a reversal of the unmodified opinion for the FY 2013 Statements.

Throughout the process, we were confident that our fully documented methodology to reconcile the cash fund balance with Treasury (FBWT) was sound and set an appropriate direction to fully address the material weakness. The GL is the source for the financial statements and other external reports, while the SLs control obligational authority and spending. Also, fundamental accounting principles require reported GL balances to be supported by the underlying transactions recorded in the SL. We believe that our reconciliation methodology satisfies this fundamental requirement.

The OIG stated in the disclaimer of opinion that *"USAID was unable to provide sufficient support to validate the adjustments and we were not able to extend our audit procedures or perform alternative procedures to do so."* We provided workbooks that demonstrated the SL and GL comparisons and the subsequent GL adjustments. We also provided support for a subsample of adjustments as requested by the OIG.

Our adjusted GL balances met Treasury's Government-wide Treasury Accounting Symbol Adjusted Trial Balance System (GTAS) reporting requirements. While the sample analysis provided insight and affirmed the direction taken, the items identified by the OIG as lacking sufficient documentation were events that occurred beyond our records retention threshold. As a result, we understood from the OIG that they would augment the sample to include

items within the records retention period. However, we were not asked to provide additional samples to replace those with documentation beyond the retention period.

Our comments and management decisions regarding the findings and proposed audit recommendations within your report on internal controls follow:

Material Weakness: USAID Did Not Reconcile Its Fund Balance With Treasury Account With the U.S. Treasury and Resolve Reconciling Items in a Timely Manner (Repeat Finding)

Management does not agree with some of your findings as written, with the following comments:

"USAID continues to have large unreconciled differences between the Fund Balance With Treasury (FBWT or cash) account recorded in the financial accounting system and the fund balance reported by the Department of the Treasury."

USAID notes that the \$154 million net and \$2.011 billion absolute in Table 2 of the draft report are not differences between the cash amount in the financial statements and the cash amounts at Treasury, but are temporary adjustments we made in our GL totals to fairly present cash on the financial statements. Our goal is to know in complete detail what caused the differences and to eliminate all differences within 90 days. The differences noted by OIG are caused by known errors and timing differences that will be corrected in the normal course of events, except for:

- (1) A shortage of approximately \$158 million in one appropriation that must be further researched and resolved in FY 2015. The difference of approximately \$158 million between USAID and Treasury was identified by the reconciliation that we performed in FY 2014.
- (2) Fund balance differences of \$1 million net and \$9 million absolute. In the context of the impact on the financial statements, these amounts are small compared to USAID's total FBWT balance of \$39.4 billion.

Except for items (1) and (2) above, the difference was fully accounted for by known individual in-transit items and other known differences, which was not the case in previous years.

"USAID made several efforts to bring its cash balances into agreement with Treasury's balances but was not successful."

We disagree that our efforts were not successful. During FY 2014, USAID successfully eliminated almost all of the differences with Treasury's balances in most of our appropriations. This happened in two stages. First, we reconciled the GLs to the SLs, and second, we reconciled Treasury cash to GL cash. As of October 2, 2014, the unreconciled difference between the GL cash and SL cash was approximately \$3 million net and \$130 million absolute, and the difference between GL cash and Treasury cash was \$1 million net and \$9 million absolute, except as noted in item (1) above. At these levels, the differences do not significantly affect the financial statements. Since the Agency was not apprised of any negative test results, Management remains confident in the *effectiveness* of its efforts in recent years to strengthen existing controls and implement new or supplementary controls to ensure timely reconciliation of FBWT and to readily identify emerging unreconciled transactions.

"During the reconciliation, USAID noted several differences, some of which were attributed to

journal entries which should have self-reversed in subsequent periods but did not, and to the redistribution of appropriation balances from one fund account to several.”

Journal entries and the redistribution of appropriation balances from one fund account to several did cause differences, but they did not cause most of the differences. The main causes of the differences between the GL and the SLs were related to the implementation of the financial management system phased in over a seven year period, payment of USAID vendors by third parties, and various business practices that have since been improved.

“As of September 2014, when the reconciliation effort ended, a difference of \$2.4 million net (\$123 million absolute value) remained between the general ledger and subsidiary ledgers, and a difference of (\$157) million net remained between the general ledger and Treasury, most of which was reported in the (No-Year) Development Assistance Fund. This difference has accumulated over time, and management claims that it cannot be reconciled. Therefore, USAID plans to research and resolve the difference reported in the (No-Year) Development Assistance Fund during FY 2015 but has not yet determined the best course of action to do so.”

USAID generally agrees with this portion of the finding. The absolute difference is almost equal to the net difference, because the differences in all of USAID’s appropriations except one are very small. Because USAID increased its FY 2013 FBWT ending balance by approximately \$353 million, USAID’s FBWT GL FY 2014 ending balance was greater than Treasury’s by approximately \$158 million. This difference did not cause a misstatement in the financial reports because USAID made a temporary adjustment to its FY 2014 FBWT ending balance to bring its financial statement FBWT into agreement with Treasury’s. USAID intends to further research and permanently resolve this difference in FY 2015.

Recommendation 1: We recommend that USAID’s Office of the Chief Financial Officer continue its reconciliation efforts and investigate and resolve unreconciled differences and monitor and report the results to ensure that the balances in the general ledger and subsidiary ledger are consistently in agreement.

Management Decision: Management accepts the recommendation and will take the recommended actions. Target Completion Date: December 31, 2014.

Recommendation 2: We recommend that USAID’s Office of the Chief Financial Officer consult with the U.S. Treasury to obtain advice and approval for resolving unreconciled funds.

Management Decision: Management accepts the recommendation and will consult with the U.S. Treasury prior to any resolution. Target Completion Date: June 30, 2015.

Significant Deficiency: USAID’s Process for Deobligating Unliquidated Obligations Was Ineffective (Repeat Finding)

Recommendation 3: We recommend that USAID’s Office of the Chief Financial Officer coordinate with the Director of the Office of Acquisition and Assistance to periodically investigate unliquidated obligations, especially those that make up the \$47 million with no activity since they were established, and deobligate as necessary.

Management Decision: Management accepts Recommendation 3. Target Completion Date: June 30, 2015.

Significant Deficiency: USAID's Process for Identifying and Liquidating Outstanding Advances Was Ineffective (Repeat Finding)

Recommendation 4: We recommend that USAID's Office of the Chief Financial Officer establish procedures to periodically research and take appropriate action on advances outstanding for more than 150 days.

Management Decision: Management accepts Recommendation 4. Target Completion Date: June 30, 2015.

Recommendation 5: We recommend that the Office of the Chief Financial Officer investigate the negative unliquidated advances and determine whether they should be refunded to USAID.

Management Decision: Management accepts the recommendation. Target Completion Date: March 31, 2015.

Significant Deficiency: USAID Could Not Provide Documentation Supporting Some Payroll Deductions (Repeat Finding)

The Office of the Chief Human Capital Officer has indicated general agreement with the findings and has provided comments directly to OIG staff.

Recommendation 6: We recommend that USAID's Chief Human Capital Officer require the periodic review of employees' eOPF to ensure that employee benefit elections are current and properly recorded.

Management Decision: Management accepts Recommendation 6. Target Completion Date: November 30, 2015.

Significant Deficiency: Intragovernmental Transactions Remain Unreconciled (Repeat Finding)

Management accepts the finding and notes that in FY 2014, USAID was able to successfully clear a \$2.7 billion difference with the Treasury General Fund. However, several new variances arose in FY 2014 due to new reciprocal categories added by Treasury. We will research these new differences during FY 2015.

Significant Deficiency: USAID Did Not Comply With Federal Standards in Accounting for Reimbursable Agreements

Recommendation 7: We recommend that the Office of the Chief Financial Officer reconfigure its financial management system to account for reimbursable agreements in accordance with Federal Generally Accepted Accounting Principles, and in consultation with appropriate stakeholders, develop and implement improved processes to account for reimbursable agreements.

Management Decision: Management accepts Recommendation 7. Target Completion Date: March 31, 2016.

TAB K: Department of Transportation

Office of Inspector General
Audit Report

**INSPECTOR GENERAL REVIEW OF FISCAL YEAR
2014 DRUG CONTROL FUNDS AND PERFORMANCE
SUMMARY REPORTING**

Federal Aviation Administration

Report Number: FI-2015-020

Date Issued: January 29, 2015





**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General
Washington, DC 20590

January 29, 2015

Ms. Michele Marx
Associate Director, Office of Management and Administration
Office of National Drug Control Policy
750 17th Street, N.W.
Washington, DC 20503

Dear Ms. Marx:

This report presents the results of our independent review of the U.S. Department of Transportation, Federal Aviation Administration's (FAA) fiscal year 2014 Drug Control Obligation Summary and Performance Summary reports to the Office of National Drug Control Policy (ONDCP). Both reports were received on January 13, 2015. The reports and our review are required by 21 U.S.C. §1704 (d) and ONDCP's January 2013 Circular, Accounting of Drug Control Funding and Performance Summary (Circular).

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 2014 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 in compliance with the Circular, in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. However, a review is substantially more limited in scope than an examination, which expresses 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.

Drug Control Obligations Summary

We performed review procedures on FAA's fiscal year 2014 Drug Control Obligation Summary (Enclosure) according to the criteria in the Circular. 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 sampled and traced \$17.2 million of FAA's reported \$27.3 million in drug control obligations to the Department of Transportation's accounting system.

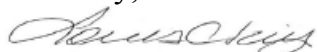
Performance Reporting Summary and Assertions

FAA's performance targets for fiscal year 2014 were to: (1) initiate regulatory investigations on 95 percent of all airmen involved in the sale or distribution of illegal drugs within 30 days of knowledge, notification by law enforcement, or a conviction; (2) 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 (3) conduct 1,205 drug and alcohol inspections of the aviation industry to ensure compliance with Federal regulations. FAA indicated that it met all three performance targets.

We performed review procedures on FAA's fiscal year 2014 Performance Summary Report and management's assertions (Enclosure). We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the criteria in the Circular. Specifically, we reviewed FAA's internal controls for performance measures to gain an understanding of how the measures were developed.

During our review, no information came to our attention that the accompanying FAA fiscal year 2014 Drug Control Obligation Summary and Performance Summary reports were not presented in conformity with ONDCP's Circular.

Sincerely,



Louis C. King
Assistant Inspector General for Financial and
Information Technology Audits

Enclosure(s)

cc: DOT Audit Liaison, M-1
FAA Audit Liaison, AAE-100



U.S. Department
of Transportation

**Federal Aviation
Administration**

**Assistant Administrator for Financial
Services and Chief Financial Officer**

**800 Independence Ave, SW
Washington, DC 20591**

Ms. Michele Marx
Acting Associate Director
Office of the National Drug Control Policy
Washington, DC 20503

Dear Ms. Marx:

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issues January 18, 2013, the Federal Aviation Administration's (FAA) Fiscal Year 2014 Drug Control Obligation Summary 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.

FAA's point of contact for this report is David Albersheim He can be reached at (202) 267-8852, if further assistance is required.

Sincerely,

A handwritten signature in black ink that reads "Mark House".

Mark House
Chief Financial Officer

Enclosure



U.S. Department
of Transportation
**Federal Aviation
Administration**

**Assistant Administrator for Financial
Services and Chief Financial Officer**

**800 Independence Ave, SW
Washington, DC 20591**

JAN 13 2015

Ms. Michele Marx
Acting Associate Director
Office of the National Drug Control Policy
Washington, DC 20503

Dear Ms. Marx:

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issues January 18, 2013, the Federal Aviation Administration's (FAA) Fiscal Year 2014 Drug Control Obligation Summary 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.

FAA's point of contact for this report is David Albersheim He can be reached at (202) 267-8852, if further assistance is required.

Sincerely,

A handwritten signature in cursive script that reads "Mark House".

Mark House
Chief Financial Officer

Enclosure



U.S. Department
of Transportation

**Federal Aviation
Administration**

**Assistant Administrator for Financial
Services and Chief Financial Officer**

**800 Independence Ave. SW
Washington, D.C. 20591**

Ms. Michele Marx
Acting Associate Director
Office of the National Drug Control Policy
Washington, DC 20503

Dear Ms. Marx:

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issued January 18, 2013, the Federal Aviation Administration's (FAA) Fiscal Year 2014 Performance Summary Report is enclosed. As specified by the Circular, the Agency selected two performance measures for Aviation Safety (AVS) for FY 2014 and one performance measure for Security and Hazardous Materials (ASH) for FY 2014 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. Additional metrics are included in the body of the enclosures for FYs 2008 through 2013. These performance measures reflect a critical milestone in the goal to promote the safety and security of the National Air Space (NAS) and the flying public. These performance measures are:

1. 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).
3. 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

1. **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)¹. 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 employees. The latter provide to FAA annual report of their testing results. The remaining employers with 49 or fewer safety-sensitive employees are randomly chosen to

¹ ITS and EIS are FAA's system for tracking investigations and information about enforcement actions for statutory or regulatory violations.

submit an annual report.

No performance measure was reported for one of the three Lines of Business 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. Consequently, FAA will work with ONDCP to develop a measure beneficial and cost effective to both organizations. Additional information can be found in enclosures.

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 NAS. These measures provide a meaningful assessment of progress toward the development of safe and reliable airspace.

FAA's points of contact for this report are as follows:

ASH: Elena Loboda, (202) 267-4914

AVS: Carol Kelly, (202) 267-3769

ATO: Ernest Barber, (202) 385-8499

Sincerely,



Mark House,
Chief Financial Officer

Obligations Summary
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
(\$ in thousands)

RESOURCE SUMMARY

	FY 2014 Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit: Air Traffic Organization	
Total, Air Traffic Organization	\$ 10,150.00
Decision Unit: Aviation Safety/Aerospace Medicine	
Prevention	\$ 14,597.00
Total, Aviation Safety/Aerospace Medicine	\$ 14,597.00
Decision Unit: Security and Hazardous Material Safety	
Intelligence Interdiction & State/Local Assistance	\$ 2,600.00
Total, Security and Hazardous Material Safety	\$ 2,600.00
Total Funding	\$ 27,347.00
Drug Resources Personnel Summary	
Total FTEs (direct only)	166
Air Traffic Organization	59
Aviation Safety/Aerospace Medicine	87
<i>Investigations: Industry Drug Abatement</i>	[5]
<i>Prevention: Industry Drug Abatement</i>	[67]
<i>Prevention: Internal Substance Abuse Program</i>	[15]
Security & Hazardous Materials Safety	20

Federal Aviation Administration
Industry Drug and Alcohol Testing Program
Performance Summary Report
Fiscal Year 2014

(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 2013 by March 15, 2014. In an effort to ensure the most accurate data, the DOT allowed for late submissions until October 1, 2014, at which time no more entries were allowed. The most current reported data available is for calendar year 2013.

(2) Prior Years' Performance Targets and Results

The prior year targets for 2008, 2009, 2010, 2011, and 2012 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 Year	Total Drug Tests Reported	Percentage of Positive Drug Tests	Total Alcohol Tests Reported	Percentage of Positive Alcohol Tests
2008	199,510	0.588%	53,939	0.123%
2009	164,356	0.534%	51,480	0.088%
2010	179,894	0.503%	50,580	0.11%
2011	191,011	0.462%	50,324	0.097%
2012	181,804	0.456%	50,124	0.132%

(3) Current Performance Targets

Because the methodology requires test reporting to be one calendar year behind, the current year is considered calendar year 2013. For this calendar year, the total drug tests reported were 193,048, resulting in 0.485% positive drug tests. The total alcohol tests reported were 52,662, resulting in 0.091% positive alcohol tests.

(4) Quality of Performance Data

As mentioned previously, the FAA does not require all regulated employers to report their MIS data. During our compliance inspections of covered employers, our inspectors verify the data submitted to DAMIS to ensure its integrity. In FY 2014, the Drug Abatement Division conducted 1,205 inspections.

The following chart indicates the number of employers that reported their data:

Calendar Year	Approximate Number of Total Regulated Employers	Number of Reporting Regulated Employers	Approximate Percentage of Reporting Employers Vs. Total Employers
2008	Unknown	2,340	Unknown
2009	7,250	2,694	37%
2010	7,270	3,240	44%
2011	7,200	3,137	43%
2012	7,200	3,279	45%
2013	7,200	3,526	49%

**Federal Aviation Administration
Law Enforcement Assistance Program
Performance Summary Report
Fiscal Year 2014**

(1) Performance Measure

The Federal Aviation Administration's (FAA) Law Enforcement Assistance (LEA) Program 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 LEA Program 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 LEA Program 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.

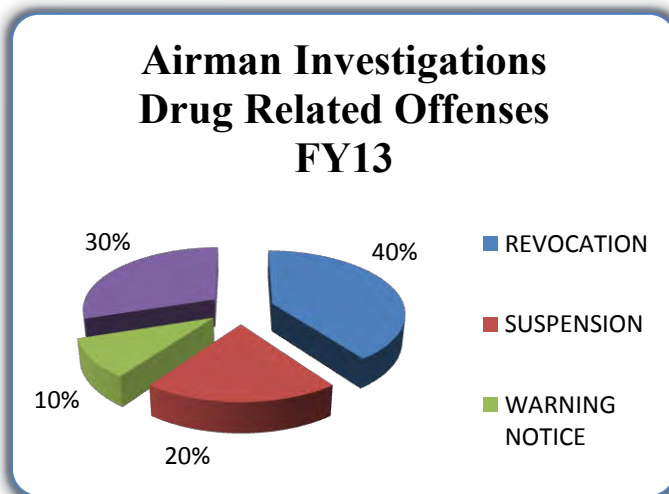
By working jointly with LE, FAA learns of investigations and information that enables FAA to initiate regulatory enforcement investigations on airman/aircraft suspected of drug trafficking; in many cases, these investigations result in the revocation of airmen certificates thus contributing to the safety 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.

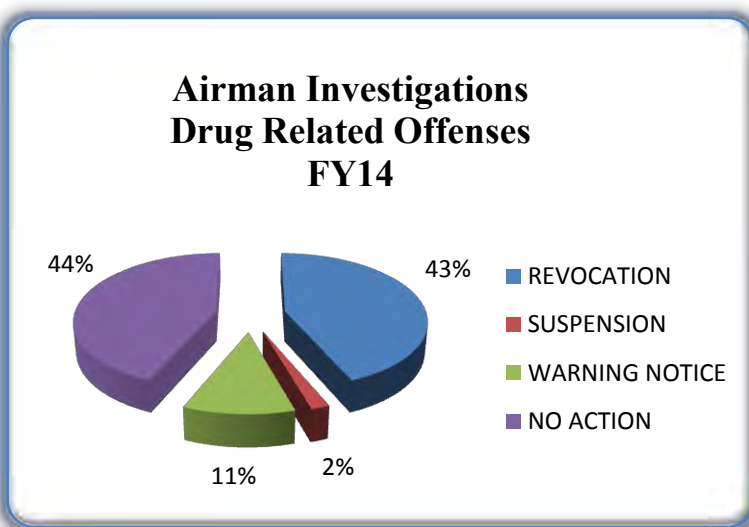
(2) Prior Year (2013) Performance Target and Results

For FY13, FAA fully achieved its performance target. FAA Special Agents were notified of 10 airmen involved in illegal drug activities and initiated 10 regulatory investigations (100%) against these airmen within four days of knowledge of their conviction. FAA subsequently took regulatory actions against all 10 airmen, thus impacting their ability to legally access the NAS. Those regulatory actions,



depicted in the chart, resulted in revocation or suspension of airmen certificates 60% of the time.

(3) Current Year (2014) Performance Target and Results



In FY14, FAA LEA Program Special Agents initiated 58 investigations based on 58 notifications (100%) regarding airmen involved in the 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 31² of the airmen (56%) arrested for drug related 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) was taken 45% of the time.

(4) Summary of 2013 and 2014 Results

FY 2013 Target	FY 2013 Achieved	FY 2014 Target	FY 2014 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).³ 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.

² This includes regulatory action that was finalized from prior year investigations.

³ ITS and EIS are FAA's system for tracking investigations and information about enforcement actions for statutory or regulatory violations.

ATO Drug-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.

ATO's point of contact is Ernest Barber. He can be reached at (202) 385-8499.

Office of Inspector General
Audit Report

**INSPECTOR GENERAL REVIEW OF FISCAL
YEAR 2014 DRUG CONTROL FUNDS AND
PERFORMANCE SUMMARY REPORTING**

National Highway Traffic Safety Administration

Report Number: FI-2015-019

Date Issued: January 29, 2015





**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General
Washington, DC 20590

January 29, 2015

Ms. Michele Marx
Associate Director, Office of Management and Administration
Office of National Drug Control Policy
750 17th Street, N.W.
Washington, DC 20503

Dear Ms. Marx:

This report presents the results of our independent review of the U.S. Department of Transportation, National Highway Traffic Safety Administration's (NHTSA) fiscal year 2014 Drug Control Obligation Summary and Performance Summary reports to the Office of National Drug Control Policy (ONDCP). Both reports were received on January 14, 2015. The reports and our review are required by 21 U.S.C. §1704 (d) and ONDCP's January 2013 Circular, Accounting of Drug Control Funding and Performance Summary (Circular).

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 in fiscal year 2014 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 in compliance with the Circular, in all material respects. We conducted our review in accordance with generally accepted Government auditing standards for attestation engagements. However, a review is substantially more limited in scope than an examination, which expresses 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.

Drug Control Obligations Summary

We performed review procedures on NHTSA's fiscal year 2014 Drug Control Obligation Summary (Enclosure 1) according to the criteria in the Circular. 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 were able to trace approximately \$1.9 million in drug control obligations to the Department of Transportation's accounting system; we verified that these obligations were supported by contracts. We noted one exception. NHTSA's Drug Control Obligation Summary Report indicates that it obligated \$2.238 million for fiscal year 2014. However, NHTSA did not obligate \$338,000 of this amount. According to management, the \$338,000 will be added to its fiscal year 2015 spending plan.

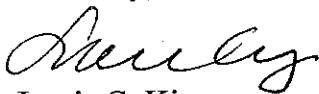
Performance Reporting Summary and Assertions

NHTSA's performance target for fiscal year 2014 was to complete data analyses, and prepare a final report on the 2013 National Roadside Survey of Alcohol and Drug Use by Drivers. NHTSA indicated that it completed these tasks and will be releasing its report early February 2015.

We performed review procedures on NHTSA's fiscal year 2014 Performance Summary Report and management's assertions (Enclosure 2). We limited our review processes to inquiries and analytical procedures appropriate for an attestation review according to the criteria in the Circular. Specifically, we reviewed NHTSA's internal controls for performance measures to gain an understanding of how the measures were developed.

Other than the exception to the Obligation Summary report, no information came to our attention that the accompanying NHTSA fiscal year 2014 Drug Control Obligation Summary and Performance Summary reports were not presented in conformity with ONDCP's Circular.

Sincerely,



Louis C. King
Assistant Inspector General for Financial and
Information Technology Audits

Enclosure(s)

cc: DOT Audit Liaison, M-1
NHTSA Audit Liaison, NPO-310



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue SE.
Washington, DC 20590

January 14, 2015

Mr. Jon E. Rice
Associate Director for Performance and Budget
Office of National Drug Control Policy
Washington, DC 20503

Dear Mr. Rice:

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issued January 18, 2013, the National Highway Traffic Safety Administration's (NHTSA) Fiscal Year (FY) 2013 Drug Control Obligation Summary is enclosed. NHTSA's obligations for drug-related activities fall below the reporting threshold of \$50 million; therefore, only a limited report is required to satisfy the statutory requirement.

Please note FY 2014 - 2016 funding is based on the Moving Ahead for Progress in the 21st Century (MAP-21) authorization. While MAP-21 did not provide direct authorization for drug impaired driving research as in the previous authorization, the Highway Research program anticipates spending additional funding for drug impaired driving research out of its core budget to conduct research and evaluation.

I hope this information is helpful. If you need further assistance, please contact Ms. Melanie O'Donnell at (202) 366-0689.

Sincerely yours,

Mary G. Sprague
Acting Chief Financial Officer
Office of Policy and Operations

Enclosure

DEPARTMENT OF TRANSPORTATION
National Highway Traffic Safety Administration

Resource Summary

	Budget Authority (in Millions)		
	FY 2014 Enacted*	FY 2015 President's Budget**	FY 2016 Request***
Drug Resources by Function			
Prevention	\$1.488	\$1.488	\$1.488
Research	\$0.750	\$0.750	\$0.750
Total Drug Resources by Function	\$2.238	\$2.238	\$2.238
Drug Resources by Decision Unit			
Drug Impaired Driving Prevention	\$1.488	\$1.488	\$1.488
Drug Impaired Driving Research	\$0.750	\$0.750	\$0.750
Total Drug Resources by Decision Unit	\$2.238	\$2.238	\$2.238
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$0.83	\$0.85	\$0.92
Drug Resources Percentage	0.27%	0.26%	0.24%

* FY 2014 is based on the Moving Ahead for Progress in the 21st Century (MAP-21) authorization. MAP-21 does not reflect the \$1.2 M that had been authorized under section 2013(F) of SAFETEA-LU. While there is no direct authorization for drug impaired driving research in MAP-21, the Highway Research program anticipates spending an additional \$750K for drug impaired driving research out of its core budget to conduct research and evaluation.

** FY 2015 is based on the Grow America Act authorization, which takes effect once the appropriation bill is passed for FY 2015. While there is no direct authorization for drug impaired driving research in the grow America Act, the Highway Research program anticipates spending an additional \$750K for drug impaired driving research out of its core budget to conduct research and evaluation.

*** FY 2016 is based on the budget submission forwarded to the Secretary of the Department of Transportation, which is currently under review for submission to the Office of Management and Budget (OMB), and is subject to change



U.S. Department
of Transportation

**National Highway
Traffic Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

January 14, 2015

Mr. Jon E. Rice
Associate Director for Performance and Budget
Office of National Drug Control Policy
Washington, DC 20503

Dear Mr. Rice:

In accordance with the Office of National Drug Control Policy Circular: Drug Control Accounting issued January 18, 2013, the National Highway Traffic Safety Administration's (NHTSA) Fiscal Year 2013 Performance Summary Report is enclosed. As specified by the Circular, the Agency selected a performance measure for 2007 to assess its success in reducing drug impaired driving, followed by complementary measures in 2008 through 2015. These measures track the progress of critical steps toward the development of a reliable and accurate measure of the drug-impaired driving problem by increasing the Agency's understanding of the extent of drug use among drivers, and the role of drugs in crash causation. These performance measures are:

1. Select representative survey sites and secure local cooperation as part of a National Roadside survey of Alcohol and Drugged Driving (FY 2007).
2. Collect and analyze oral fluids and blood samples as part of a National Roadside Survey of Alcohol and Drugged Driving (FY 2008).
3. Develop and recommend methods for detecting the presence of major illegal drugs in drivers as part of a Study to Identify Methods and Technologies to Measure Drug Presence Amongst Drivers (FY 2009).
4. Complete study design and procedures for a landmark Case Control Study of Crash Risk of Drug-Impaired Drivers (FY 2010).
5. Collect data from 1250 crashes for the Case Control Study of the Crash Risk of Drug-Impaired Drivers (FY 2011).
6. Develop and pilot test an online version of the Advanced Roadside Impaired Driving Enforcement (ARIDE) training program (FY 2012).
7. Complete data analysis and prepare a final report on a Case Control Study of the Crash Risk of Drug-Impaired Driving (FY 2013).
8. Complete data analysis and prepare a final report on the 2013 National Roadside Survey of Alcohol and Drug Use by Drivers (FY 2014).
9. Complete data collection on a field test of oral fluid drug screening devices (FY 2015).
10. Complete study design, recruit site, and implement data collection (FY 2016)

ASSERTIONS

1. **Performance reporting system is appropriate and applied:** In FY 2013, NHTSA completed analysis of data collected in a study of the relative risk of crash involvement by drivers using alcohol and other drugs. Data was collected from more than 3,000 crash-involved drivers and 6,000 non-crash involved (control) drivers. The crash-involved drivers were recruited at the locations where crashes occurred one week later (two controls for each crash-involved driver), randomly elected from traffic passing the crash location, driving in the same direction of travel, day of week and time of day. Research teams operated 24 hours a day, seven days a week. Report preparation is nearing completion and draft materials are undergoing review. Completion of formal agency review and the release of the results of the study will occur in 2014.
2. **Explanations for not meeting performance targets are reasonable:** Target met.
3. **Methodology to establish performance targets is reasonable and applied:** Data collection for the National Roadside Survey of Alcohol and Drugged Driving was based on a probabilistic design, using traffic volume and demographic variables to ensure a statistically representative sample. Details of the methodology and findings are included in the Research Note (DOT HS 811 175). Methodology for the 2010 and 2011 performance measures is based on records and documentation of successful achievement of the study objectives.
4. **Adequate performance measure exist for all significant drug control activities:** The measures used to describe the Agency's drug impaired driving program performance adequately reflect key steps toward the completion of necessary studies to increase general knowledge of the drugged driving problem. These measures provide a meaningful assessment of progress toward the development of reliable and accurate measures of the drugged driving problem in the United States.

I hope this information is helpful. If you need further assistance, please contact Ms. Melanie O'Donnell at (202) 366-0689.

Sincerely yours,



Mary G. Sprague
Acting Chief Financial Officer
Office of Policy and Operations

Enclosure

**National Highway Traffic Safety Administration
Drug-Impaired Driving Program
Performance Summary Report
Fiscal Year 2014**

(1) Performance Measures

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 development of a valid measure of this problem, NHTSA has established a series of performance measures based on critical milestones in drug impaired driving research.

These measures reflect critical milestones in the development of improved methods to train law enforcement in detecting drug-impaired drivers and in developing valid and reliable measures of the drug impaired driving problem by increasing the Agency's understanding of the extent of drug use among drivers and the role of drugs in crash causation. The FY 2010 National Drug Control Strategy called for efforts to *Collect Further Data on Drugged Driving* and for increased *Training to Law Enforcement on Identifying Drugged Drivers*. Our FY 2013 performance measure was designed to further our understanding of the role of drug use by drivers in crash causation. The FY 2014 performance measure was to determine the extent of drug use among drivers in 2013-2014 and to examine the trends in drug use by drivers (compared to 2007).

The FY 2015 performance measure assesses agency progress in implementing administrative license revocation for drugged driving through field testing of oral fluid screening devices. Valid and reliable screening devices for law enforcement use are necessary in order to implement an administrative license revocation program. For our FY 2016 performance measure we are proposing to conduct a complementary study of the crash risk of drug-impaired driving that focuses on fatal and serious injury crashes. Our FY 2013 study of crash risk of drugged driving involved all types of crashes (fatal, injury, and property damage crashes) with a preponderance of property damage crashes (66%). We propose to have implemented a twelve month data collection period during FY 2016.

The National Highway Traffic Safety Administration (NHTSA) will use the following measures to assess progress of the Drug-Impaired Driving Program.

- *Complete data collection, analysis, and prepare a final report on a Case Control Study of the Crash Risk of Drug-Impaired Driving (FY 2013).*

This land-mark study was designed to conduct in-depth investigations of approximately 2,500 police-reported crashes of all severities. For each crash

investigated, similar information will be collected for non-crash control cases (involving drivers driving at the same locations, day of week, time of day, traveling in the same direction, etc.). Analysis of drug use by crash involved and non-crash involved drivers will make it possible to estimate the extent to which drug use increases the risk of crash involvement. This information will be invaluable in helping to support strong laws targeting drug-impaired driving and efforts to reduce the harm caused by drug use by drivers. Together with information from the recently-completed Roadside Survey of Drug and Alcohol Use by Drivers, evidence from this study on the association of drug use and crash risk will be an essential part of efforts to develop effective countermeasures.

- *Complete data collection, analysis, prepare and release a final report on the 2013 National Roadside Survey of Alcohol and Drug Use by Drivers (FY 2014).*

This study will be second nationally representative survey of drug use by drivers (and the fifth survey of alcohol use by drivers). It will provide trend data for drug use by drivers when compare to the 2007 National Roadside Survey and almost 40 years of trend data in alcohol use by drivers (using the 1974, 1986, 1996, 2007, and 2013 surveys). This large-scale survey will collect alcohol and drug use data from over 7,500 passenger vehicle and motorcycle operators stopped while driving at some 300 locations around the country. Through a stratified sampling plan it will produce reliable national estimates of alcohol and drug use. When compared to the 2007 National Roadside Survey this new survey will provide an indication of whether there has been change in drug use over the past six years. It will also show whether the previously observed decline in alcohol use by drivers has continued.

- *Complete first phase of a pilot test of administrative license revocation for drugged driving (FY 2015).*

In this first phase, we will design and implement a field evaluation of oral fluid drug screening devices. These devices are designed for law enforcement use and offer the opportunity to get an on-site oral fluid test for selected drugs in 3 – 5 minutes. Traditionally, officers would have to arrange for a blood sample to be drawn, by transporting the suspect to a hospital, and then ship the blood sample to a laboratory for toxicological analysis. Results would often not be available for weeks or months. Our study will look at the effects on law enforcement and prosecution of driving while impaired by drugs cases when almost immediate results are available from these screening devices. We are planning to collect data on the accuracy, reliability, and ease of use of several oral fluid drug screening devices with the cooperation of four police departments. Our goal is to get data from 1,000 impaired driving suspects. We anticipate this will take between 6 and 12 months.

- *Initiate data collection for a crash risk study of the prevalence of drug use by drivers that focuses on fatal and serious injury crashes (FY 2016).*

Our earlier study of the crash risk associated with drug use by drivers used a random sample of crash-involved driver's sampled 24-hours a day, seven days a week. This resulted in a mix of fatal, injury and property damage crashes (with about 66% being property damage crashes). We will initiate a 12 month data collection period on a new complementary study that will focus on fatal and serious injury crashes. This new study will address the possibility that drivers that use drugs are less likely to become involved in minor property damage crashes, but rather get involved in mostly in very serious crashes. We hope to gain the cooperation of a high volume Level 1 Trauma Center in a large metropolitan area where we will obtain the crash-involved drivers from those fatally and seriously injured transported to the trauma center. The control drivers will be obtained using the same procedure used in the previous study.

(2) Prior Years Performance Targets and Results

Prior performance targets for FY 2007 and FY 2008 were fully achieved. In FY 2007, 300 survey sites were identified for the Roadside Survey of Alcohol and Drug Use by Drivers. In FY 2008, over 9,000 drivers were sampled in locations across the country for the Roadside Survey study.

The FY 2009 target was not achieved due to a change in research strategy. An expert group was convened during 2009 to develop and recommend methods for detecting the presence of major illegal drugs in drivers. The expert group concluded that such technology was not feasible for roadside use in the near future. With this information, the research effort was re-directed to developing methods for identifying drugs that impair driving.

In FY 2010, we completed the Case Control Study of Crash Risk of Drug-Impaired Driving study design and planning, as anticipated, and implemented the study. Data collection was completed as anticipated in September 2011. Response teams involving an on duty police officer and research team member are being fielded to respond to crashes 24 hours a day, seven days as week. The officer on the team handles the crash, while the research member collects breath, oral fluid and blood samples from the crash-involved driver. One week later, at the same time and location, the team stops motorists traveling in the same direction not involved in a crash to collect the same data.

In FY 2011, we concluded the majority of the onsite data collection, exceeding the goal of collecting data from 2,500 crash involved drivers and 5,000 control drivers.

In FY 2012, we were successful in developing and pilot testing an online version of the Advanced Roadside Impaired Driving Enforcement (ARIDE) Training program. The online version was developed and tested in several sites.

In FY 2013, we completed data analysis, and drafted a final report on a Case Control Study of the Crash Risk of Drug-Impaired Driving. However, the report has not yet been released due to delays in finalizing the report. We briefed Acting Director Botticelli on the results of the study in the early summer 2014 and expect to clear the report for release in the fall of FY 2014.

In FY 2014, we expect to complete data analysis of the 2013 National Roadside Survey of Alcohol and Drug Use by Drivers, and prepare a report on the results of the study. The report will be available for release by the end of the calendar year. The data collection phase of the study was delayed approximately 6 months due to inaccurate adverse publicity and congressional concerns that resulted from the publicity.

<u>Selected Measures of Performance</u>	<u>FY 2008 Target</u>	<u>FY 2008 Achieved</u>
Roadside Survey of Alcohol and Drug Use Among Drivers		
Collect and analyze oral fluids and blood samples from randomly selected drivers in at least 300 locations across the U.S.	7,500 drivers	Over 9,000 drivers

<u>Selected Measures of Performance</u>	<u>FY 2009 Target</u>	<u>FY 2009 Achieved</u>
Study to Identify Methods and Technologies to Measure Drug Presence		
Develop and recommend methods for detecting the presence of major illegal drugs in drivers	Detection methods for at least 5 drugs	Technology not currently available.

<u>Selected Measures of Performance</u>	<u>FY 2010 Target</u>	<u>FY 2010 Achieved</u>
Case Control Study of the Crash Risk Associated with Drug Use by Drivers		
	Develop study design and procedures	Study design completed and implemented.

<u>Selected Measures of Performance</u>	<u>FY 2011 Target</u>	<u>FY 2011 Achieved</u>
Case Control Study of the Crash Risk of Drug-Impaired Drivers		
Complete 50 percent of data collection	Collect data from 1250 crashes	Data collected on over 1,250 crashes and 2,500 control drivers.

<u>Selected Measures of Performance</u>	<u>FY 2012 Target</u>	<u>FY 2012 Achieved</u>
Advanced Roadside Impaired Driving Enforcement Training (ARIDE)		
Develop and Pilot Test an Online to facilitate distance learning	Complete design and pilot testing of of an on-line version	Design completed and course pilot tested by over 100 officers from enforcement agencies in the Fall of 2012.

<u>Selected Measures of Performance</u>	<u>FY 2013 Target</u>	<u>FY 2013 Achieved</u>
Case Control Study of the Crash Risk Associate with Drug Use By Drivers Complete drug assays (blood and oral fluids), data analysis, and report preparation	Complete data analysis, risk estimation, and write report	Data analysis completed and report drafted.

(3) Current Performance Targets

<u>Selected Measures of Performance</u>	<u>FY 2014 Target</u>	<u>FY 2014 Achieved</u>
2014 National Roadside Survey of Alcohol and Drug Use by Drivers Conduct roadsides survey, collect breath, oral fluids and blood samples, analyze data and prepare report	Complete data collection at 300 locations, analyze data, prepare report	Data collection, data analysis, and report prepared. Release scheduled for late January 2015.

<u>Selected Measures of Performance</u>	<u>FY 2015 Target</u>	<u>FY 2015 Achieved</u>
Design and Implement a Field Evaluation of Oral Fluid Drug Screening Devices. Complete field data collection at four law enforcement agencies.	Complete field data collection using several oral fluid drug screening devices.	

<u>Selected Measures of Performance</u>	<u>FY 2016 Target</u>	<u>FY 2016 Achieved</u>
Crash Risk Study of Drug Use by Drivers in Fatal & Serious Injury Crashes - Complete study design, recruit site, and implement data collection.	Complete study design, recruit Level 1 Trauma Center and cooperation of law enforcement, initiate data collection	

(4) Quality of Performance Data

Data collection for the National Roadside Survey of Alcohol and Drugged Driving was based on a probabilistic design, using traffic volume and demographic variables to ensure a statistically representative sample. Details of the methodology and findings are included in the Research Note DOT HS 811 175 "Results of the 2007 National Roadside Survey of Alcohol and Drug Use by Drivers."

Methodology for the 2010, 2011, 2012, 2013, and 2014 performance measures is based on records and documentation of successful achievement of study objectives. The established measures provide a meaningful assessment of progress toward the development of reliable and accurate measures of the drugged driving problem in the United States.

TAB L: Department of the Treasury



*Independent Attestation Review of the
Internal Revenue Service's Fiscal Year 2014
Annual Accounting of Drug Control Funds
and Related Performance*

December 19, 2014

Reference Number: 2015-10-010

This report remains the property of the Treasury Inspector General for Tax Administration (TIGTA) and may not be disseminated beyond the Internal Revenue Service without the permission of TIGTA.

This report may contain confidential return information protected from disclosure pursuant to I.R.C. § 6103(a). Such information may be disclosed only to Department of the Treasury employees who have a need to know this information in connection with their official tax administration duties.

Phone Number / 202-622-6500

E-mail Address / TIGTACommunications@tigta.treas.gov

Website / <http://www.treasury.gov/tigta>



HIGHLIGHTS

INDEPENDENT ATTESTATION REVIEW OF THE INTERNAL REVENUE SERVICE'S FISCAL YEAR 2014 ANNUAL ACCOUNTING OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE

Highlights

**Final Report issued on
December 19, 2014**

Highlights of Reference Number: 2015-10-010 to the Internal Revenue Service Chief Financial Officer and Chief, Criminal Investigation.

IMPACT ON TAXPAYERS

TIGTA reviewed the assertions in the IRS's Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission and Performance Summary Report for Fiscal Year 2014. IRS management is responsible for preparing the report.

The IRS supports the National Drug Control Strategy through its continued support of the Organized Crime Drug Enforcement Task Force. Complete and reliable financial and performance information is critical to the IRS's ability to accurately report on the results of its operations to both internal and external stakeholders, including taxpayers.

WHY TIGTA DID THE AUDIT

This review was conducted as required by the ONDCP and ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. The National Drug Control Program agencies are required to submit to the Director of the ONDCP, not later than February 1 of each year, a detailed accounting of all funds expended (the ONDCP Circular requires amounts obligated) during the previous fiscal year. Agencies also need to identify and document performance measure(s) that show the results associated with these expenditures.

The Chief Financial Officer, or another accountable senior-level executive, of each agency for which a Detailed Accounting

Submission is required shall provide a Performance Summary Report to the Director of the ONDCP. Further, the ONDCP Circular requires that each report be provided to the agency's Inspector General for the purpose of expressing a conclusion about the reliability of each assertion made in the report prior to its submission.

WHAT TIGTA FOUND

Based on our review, nothing came to our attention that caused us to believe that the assertions in the Detailed Accounting Submission and Performance Summary Report are not fairly presented in all material respects in accordance with the ONDCP's established criteria.

WHAT TIGTA RECOMMENDED

TIGTA made no recommendations as a result of the work performed during this review. However, key IRS officials reviewed this report prior to its issuance and agreed with the facts and conclusions presented.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 19, 2014

MEMORANDUM FOR CHIEF FINANCIAL OFFICER
CHIEF, CRIMINAL INVESTIGATION

FROM: Michael E. McKenney
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Independent Attestation Review of the Internal Revenue Service’s Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance (Audit # 201410020)

This report presents the results of our attestation review of the Internal Revenue Service’s Fiscal Year 2014 Office of National Drug Control Policy Detailed Accounting Submission and Performance Summary Report (the report). The overall objective of this review was to express a conclusion about the reliability of each assertion made in the report. This review is included in our Fiscal Year 2015 Annual Audit Plan and addresses the major management challenge of Achieving Program Efficiencies and Cost Savings.

The Treasury Inspector General for Tax Administration made no recommendations as a result of the work performed during this review. However, key Internal Revenue Service officials reviewed this report prior to its issuance and agreed with the facts and conclusions presented.

Copies of this report are also being sent to the Internal Revenue Service managers affected by the audit report. If you have any questions, please contact me or Gregory D. Kutz, Assistant Inspector General for Audit (Management Services and Exempt Organizations).



*Independent Attestation Review of the Internal Revenue
Service's Fiscal Year 2014 Annual Accounting of Drug Control
Funds and Related Performance*

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*Independent Attestation Review of the Internal Revenue
Service's Fiscal Year 2014 Annual Accounting of Drug Control
Funds and Related Performance*

Abbreviations

FY	Fiscal Year
IRS	Internal Revenue Service
ONDCP	Office of National Drug Control Policy



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

Background

The Anti-Drug Abuse Act of 1988¹ establishes as a policy goal the creation of a drug-free America. A key provision of the act is the establishment of the Office of National Drug Control Policy (ONDCP) to set priorities, implement a national strategy, and certify Federal Government drug control budgets. The Internal Revenue Service (IRS) supports the National Drug Control Strategy through its continued support of the Organized Crime Drug Enforcement Task Force. The mission of the IRS's Criminal Investigation in Federal law enforcement's anti-drug efforts is to reduce or eliminate the financial gains (profits) of major narcotics trafficking and money laundering organizations through the use of its unique financial investigative expertise and statutory jurisdiction.

National Drug Control Program agencies are required to submit to the Director of the ONDCP, not later than February 1 of each year, a detailed accounting of all funds expended during the previous fiscal year.

This review was conducted as required by the ONDCP and ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. The National Drug Control Program agencies² are required to submit to the Director of the ONDCP, not later than February 1 of each year, a detailed accounting of all funds expended (the ONDCP Circular requires amounts obligated) during the previous fiscal year.³ Agencies also need to identify and document performance measure(s) that show the results associated with these expenditures. The Chief Financial Officer, or another accountable senior-level executive, of each agency for which a Detailed Accounting Submission is required shall provide a Performance Summary Report to the Director of the ONDCP. Further, the ONDCP Circular requires that each report be provided to the agency's Inspector General for the purpose of expressing a conclusion about the reliability of each assertion made in the report prior to its submission.

For Fiscal Year (FY) 2014 and future years, the IRS elected to modify the methodology it uses to report ONDCP expenditures to include costs applicable to all narcotics investigations. Previously, the IRS reported only costs applicable to narcotics investigations performed as part of a coordinated task force. The IRS stated that it made this change to allow it to more comprehensively report the resources it devotes to the National Drug Control Strategy. This

¹ Pub. L. No. 100-690, 102 Stat. 4181 (1988).

² A National Drug Control Program agency is defined as any agency that is responsible for implementing any aspect of the National Drug Control Strategy.

³ Any yearly accounting period, regardless of its relationship to a calendar year. The Federal Government's fiscal year begins on October 1 and ends on September 30.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

change was approved by the ONDCP. The reporting of FY 2014 performance was similarly modified to include accomplishments applicable to all narcotics investigations.

This review was performed at the IRS Headquarters offices of the Chief Financial Officer and Chief, Criminal Investigation, in Washington, D.C., during the period June through December 2014. Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. In general, our review procedures were limited to inquiries and analytical procedures appropriate for an attestation review based upon the criteria in the ONDCP Circular. Detailed information on our audit objective, scope, and methodology is presented in Appendix I. Major contributors to the report are listed in Appendix II.



*Independent Attestation Review of the Internal Revenue
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Results of Review

***Summary of the Independent Attestation Review of the Fiscal
Year 2014 Office of National Drug Control Policy Detailed Accounting
Submission and Performance Summary Report***

We reviewed the assertions in the IRS's ONDCP Detailed Accounting Submission and Performance Summary Report (the report) for FY 2014, which ended September 30, 2014 (see Appendix IV). The report was prepared pursuant to 21 U.S.C. 1704 (d) and the ONDCP Circular. IRS management is responsible for preparing the report.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the report. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertions in the report are not fairly presented in all material respects in accordance with the ONDCP's established criteria.

While this report is an unrestricted public document, the information it contains is intended solely for the use of the IRS, the U.S. Department of the Treasury, the ONDCP, and Congress. It is not intended to be used by anyone other than the specified parties.



*Independent Attestation Review of the Internal Revenue
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Appendix I

Detailed Objective, Scope, and Methodology

Our overall objective was to perform an independent attestation review of the IRS's reporting of FY¹ 2014 ONDCP expenditures and related performance for the purpose of expressing a conclusion about the reliability of each assertion made in the Detailed Accounting Submission and Performance Summary Report. To accomplish our objective, we:

- I. Obtained an understanding of the process used to prepare the FY 2014 Detailed Accounting Submission and Performance Summary Report.
 - A. Discussed the process used to record ONDCP expenditures and performance information with responsible IRS personnel.
 - B. Obtained any documents such as written procedures and supporting worksheets that evidence the methodology used.
- II. Evaluated the reasonableness of the drug methodology process for detailed accounting submissions.
 - A. Reviewed data supporting the Detailed Accounting Submission to establish the relationship to the amounts being reported.
 - B. Verified whether all drug-related activities are reflected in the drug methodology.
 - C. Obtained documentation to support any modifications to the drug methodology and verified that the modifications were submitted to the ONDCP for review prior to implementation.
- III. Performed selected reviews of reported obligations in the Detailed Accounting Submission.
 - A. Verified that the Detailed Accounting Submission included all of the elements specified in Section 6 of the ONDCP Circular: *Accounting of Drug Control Funding and Performance Summary*.
 - B. Verified the mathematical accuracy of the obligations presented in the Table of FY 2014 Drug Control Obligations.
 - C. Traced the information contained in the Table of FY 2014 Drug Control Obligations to the supporting documentation.

¹ Any yearly accounting period, regardless of its relationship to a calendar year. The Federal Government's fiscal year begins on October 1 and ends on September 30.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

- IV. Evaluated the reasonableness of the methodology used to report performance information for National Drug Control Program activities.
 - A. Reviewed data supporting the Performance Summary Report to establish the relationship to the National Drug Control Program activities.
 - B. Verified whether all drug-related activities are reflected in the performance information.
- V. Performed sufficient verifications of reported performance information to support our conclusion on the reliability of the assertions.
 - A. Verified that the Performance Summary Report included all of the elements specified in Section 7 of the ONDCP Circular.
 - B. Verified the mathematical accuracy of the performance information presented.
 - C. Traced the performance information presented to the supporting documentation.
 - D. Reviewed the supporting documentation for reasonableness.



*Independent Attestation Review of the Internal Revenue
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Appendix II

Major Contributors to This Report

Gregory D. Kutz, Assistant Inspector General for Audit (Management Services and Exempt Organizations)

Alicia P. Mrozowski, Director

Anthony J. Choma, Audit Manager

Michele N. Strong, Lead Auditor

Trisa Brewer, Auditor

Rashme Sawhney, Auditor



*Independent Attestation Review of the Internal Revenue
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Appendix III

Report Distribution List

Commissioner C
Office of the Commissioner – Attn: Chief of Staff C
Deputy Commissioner for Operations Support OS
Deputy Commissioner for Services and Enforcement SE
Deputy Chief, Criminal Investigation SE:CI
Deputy Chief Financial Officer OS:CFO
Chief Counsel CC
National Taxpayer Advocate TA
Director, Office of Legislative Affairs CL:LA
Director, Office of Program Evaluation and Risk Analysis RAS:O
Office of Internal Control OS:CFO:CPIC:IC
Audit Liaisons:
 Chief, Criminal Investigation SE:CI
 Chief Financial Officer OS:CFO



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

Appendix IV

*Internal Revenue Service's Fiscal Year 2014
Detailed Accounting Submission and
Performance Summary Report¹*



CHIEF FINANCIAL OFFICER

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

November 12, 2014

MEMORANDUM FOR MICHAEL E. MCKENNEY
DEPUTY INSPECTOR GENERAL FOR AUDIT

FROM: Robin L. Canady *Robin L. Canady*
Chief Financial Officer

SUBJECT: Annual Accounting and Authentication of Fiscal Year (FY) 2014
Drug Control Funds, Related Performance, and Assertion of
Performance Information

The purpose of this memorandum is to transmit the IRS FY 2014 Annual Accounting and Authentication of Drug Control Funds and Related Performance Report, as directed in the Office of National Drug Control Policy (ONDCP) Circular: Accounting of Drug Control Funding and Performance Summary, dated January 18, 2013. This circular requires the Treasury Inspector General for Tax Administration (TIGTA) to perform an attestation review before the IRS submits this document to the ONDCP. After IRS receives TIGTA's conclusion as to the reliability of each assertion, I will forward the document to the ONDCP.

If you have any questions, please contact me at (202) 317-6400, or have a member of your staff contact Jeffrey Zottola, Acting Associate Chief Financial Officer for Corporate Budget, at (202) 317-4038.

Attachments (2)

¹ Attachment 2 - Organized Crime Drug Enforcement Task Force Program - Year End Financial Projection is not part of the Detailed Accounting Submission and Performance Summary Report that the Treasury Inspector General for Tax Administration is responsible for auditing.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

Attachment 1
November, 2014

INTERNAL REVENUE SERVICE
Annual Accounting and Authentication of Drug Control Funds and Related Performance

DETAILED ACCOUNTING SUBMISSION

A. Table of Fiscal Year (FY) 2014 Drug Control Obligations

	Narcotics	OCDETF
Drug Resources by Function	(\$000)	(\$000)
Investigations	<u>\$63,572</u>	<u>\$58,200</u>
Total	\$63,572	\$58,200
Drug Resources by Decision Unit		
Narcotics Crimes	<u>\$63,572</u>	<u>\$58,200</u>
Total	\$63,572	\$58,200

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 (CI) Narcotics Program¹. CI's overall Direct Investigative Time (DIT) applied to narcotics investigations for FY 2014 was 11.4 percent of total DIT with 91.2percent of the DIT being applied to Organized Crime and Drug Enforcement Task Force (OCDETF) investigations.

The methodology for computing the resources appropriated and realized for the Narcotics Program is the application of the DIT attributable to narcotics investigations and applying the DIT percentage to the total realized appropriated resources, reduced by reimbursable funds and Earned Income Tax Credit (EITC) resources, for the year for which the resources are being reported. The result is determined to be the amount of resources expended on the Narcotics Program. This methodology was approved by CI, the IRS Chief Financial Officer, and the Office of National Drug Control Policy (ONDCP) during FY 2014 and is effective for FY2014 and all subsequent fiscal years.

¹ The IRS-CI Narcotics Program consist of 5 sub-programs which include: Organized Crime Drug Enforcement Task Forces (OCDETF); High Intensity Drug Trafficking Area (HIDTA); HIDTA-OCDETF; Terrorism-OCDETF; and Narcotics-Other.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

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2) Methodology Modifications

In recent discussions with ONDCP's Office of Budget and Performance, CI learned that the funding it receives through the earmark is not limited to participation in the OCDETF program but should include all narcotics-related activities. Since 2006, CI has reported only the investigative resources and the related performance measures applied to the OCDETF sub-programs. This methodology of only reporting the OCDETF sub-programs allowed IRS-CI to meet its ONDCP funding mandates; however, it did not completely capture the total resources applied by CI to support the U.S. Government's National Drug Control Strategy.

During FY 2014, CI submitted a request to ONDCP for approval to change the methodology from only reporting the OCDETF sub-programs to reporting all narcotics sub-programs. On September 19, 2014, ONDCP approved this change effective for FY2014 and all subsequent fiscal years. The inclusion of all narcotics program resources will provide CI an ability to completely capture and report the resources being applied to support the U.S. Government's National Drug Control Strategy. The change in methodology will provide CI an increased ability, both presently and in future fiscal years, to meet its obligations for its receipt of Interagency Crime and Drug Enforcement (ICDE) funding.

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 the Criminal Investigation Management Information System (CIMIS) to the actual obligations from the CI realized Financial Plan, less reimbursements and EITC funds.



*Independent Attestation Review of the Internal Revenue
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2) Drug Methodology

The methodology used to calculate obligations of prior-year budgetary resources restricted DIT to investigative resources applied to investigations designated as OCDETF and omitted resources applied to non-OCDETF investigations. This methodology did not accurately reflect the total investigative resources expended on counter-narcotics/money laundering investigations. Inclusion of the non-OCDETF narcotics sub-programs more accurately reflects the resources currently being committed by IRS-CI to support the President's Strategy to Combat Transnational Organized Crime, U.S. Government's National Drug Control Strategy, and the National Money Laundering Strategy without a significant increase in resources.

a) Data

Data is derived from CIMIS to determine the DIT applied to the Narcotics Program. Each 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 2014 in the CI Appropriated Enforcement Budget (excluding reimbursables 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.

4) 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.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

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5) Reprogramming or Transfers

The data presented is associated with obligations against a financial plan and properly reflects any revisions occurring during the fiscal year.

6) 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 Measures

The IRS reviewed 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 CI activities. As a result of the review, the IRS determined that, in addition to the number of subject criminal investigations completed, the most appropriate performance measures to evaluate its contribution to the National Drug Control Strategy were number of convictions and conviction rate. These are both budget-level performance measures already used by CI to evaluate its performance as a whole. Criminal investigations completed for the Narcotics Program and all other programs are defined as total subject criminal investigations completed during the 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). 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.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

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These measures assess 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. In addition, it reduces or eliminates the profits and financial gains from narcotics trafficking and money laundering.

Criminal Investigation's 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 from Transnational Criminal Organizations involved in narcotics trafficking and money laundering. CI has participated in the 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.

b) Prior Years Performance Targets and Results

The performance results for FY 2009 through FY 2013 are shown below:

	FY 2009	FY 2010	FY 2011	FY 2012 ²	FY 2013
Investigations Completed	652	788	927	904	943
Convictions	462	405	435	563	621
Conviction Rate	85%	82%	88%	90%	88%

Note: The performance results for FY2009 – FY2013 listed in the above table were based on the prior drug methodology and only include investigations coded as OCDETF.

² TIGTA and CI agreed to revise the number of convictions for FY2012 to 559 (from 563) based on a review of CIMIS data.



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c) Current Year Performance Targets and Results

CI calculated its year-end performance using the status date of investigations. The results for FY 2014 are shown below:

FY 2014 Narcotics Targets & Performance	FY 2014 Narcotics Targets	FY 2014 Performance Results (OCDETF Only) ³	FY 2014 Performance Results (Narcotics) ^{3 4}
Investigations Completed	680	810	862
Convictions	410	545	584
Conviction Rate	85%	91.4%	90.8%

- As noted in the above table, CI exceeded in all three performance target areas for FY 2014: Investigations Completed; Convictions; and Conviction Rate.
- Column 3 of the above table reflects the performance results using the prior methodology of reporting only OCDETF investigations.
- Column 4 of the above table reflects the performance results based on the newly approved methodology of reporting all narcotics program areas.

d) Fiscal Year 2015 Performance Targets Narcotics Cases:

The performance information for the IRS CI Narcotics program for FY2015, as submitted to ONDCP (ONDCP Budget Submission):

Criminal Investigations Completed	680
Convictions	410
Conviction Rate	85%

Note: For FY2015, CI has maintained the performance targets from FY2014 despite the fact that the level of narcotics funding requested for FY2015 is less than the amount received in prior years. Due to dwindling investigative resources (caused by Special Agent retirements and inability to hire Special Agents), CI anticipates a reduction in the number of narcotics-related investigation initiations and completions in the coming fiscal year. The above performance target range is commensurate with the level of investigative resources applied. It is anticipated that the proposed FY 2015 DIT range will be adjusted to 10.8% - 12.0% to ensure that IRS-CI meets the minimum resource level required.

³ Based on Status Date as of November 04, 2014

⁴ These figures are comprised of all Narcotics investigations (OCDETF, HIDTA-OCDETF, Terrorism-OCDETF, HIDTA, and Narcotics-Other). However, the performance goals were set prior to the methodology change.



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e) Quality of Performance Data

To ensure the reliability of the data, all cases have unique numbers assigned in CIMIS which contain validity and business rule checks. The CIMIS database tracks the status of the investigations from initiation through final disposition. The system has sufficient 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 2014 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 2014 Drug Control Funds as required by Section 7(b)(4) for which a significant amount of obligations were incurred in the previous year.



Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2014 Annual Accounting of Drug Control Funds and Related Performance

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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 M: Department of Veterans Affairs

VA Office of Inspector General

OFFICE OF AUDITS AND EVALUATIONS



Department of Veterans Affairs

*Independent Review of
the FY 2014 Performance
Summary Report to
the Office of National Drug
Control Policy*

March 5, 2015
15-00875-129

ACRONYMS

BAM	Brief Addiction Monitor
CSP	Cooperative Studies Program
DAPS	Drug and Alcohol Program Survey
DSS	Decision Support System
FY	Fiscal Year
GPRA	Government Performance and Results Act
HCHV	Health Care for Homeless Veterans Programs
HUD-VASH	Department of Housing and Urban Development – VA Supportive Housing
OIG	Office of Inspector General
ONDCP	Office of National Drug Control Policy
ORD	Office of Research and Development
RAFT	Research Analysis Forecasting Tool database
SUD	Substance Use Disorder
VA	Department of Veterans Affairs
VHA	Veterans Health Administration
VJO	Veterans Justice Outreach specialist

To Report Suspected Wrongdoing in VA Programs and Operations:

Telephone: 1-800-488-8244

Email: vaoighotline@va.gov

(Hotline Information: www.va.gov/oig/hotline)

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EXECUTIVE SUMMARY

The Office of Inspector General is required to review the Department of Veterans Affairs' (VA) Fiscal Year (FY) 2014 Performance Summary Report to the Director, Office of National Drug Control Policy (ONDCP), pursuant to ONDCP Circular: Accounting of Drug Control Funding and Performance Summary (Circular), dated January 18, 2013, and as authorized by 21 U.S.C. § 1703(d)(7). The Performance Summary Report is the responsibility of VA's management and is included in this report as Attachment A (Patient Reported Abstinence) and Attachment B (Research and Development).

We reviewed, according to the Circular's criteria and requirements, whether VA has a system to capture performance information accurately and whether that system was properly applied to generate the performance data reported in the Performance Summary Report. We also reviewed whether VA offered a reasonable explanation 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. Furthermore, we reviewed whether the methodology described in the Performance Summary Report and used to establish performance targets for the current year is reasonable given past performance and available resources; and whether VA established at least one acceptable performance measure for each Drug Control Decision Unit, as defined by the Circular, for which a significant amount of obligations were incurred.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the applicable *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the matters described in paragraph two. Accordingly, we do not express such an opinion.

Based upon our review and the Circular's criteria:

- Nothing came to our attention that caused us to believe VA does not have a system to capture performance information accurately or the system was not properly applied to generate the performance data reported in the Performance Summary Report.
- VA continued implementation of a measure for Patient Reported Abstinence for FY 2014 at ONDCP's request. This performance measure reflects patient reported outcomes of recent abstinence rather than the previously reported process measure on Continuity of Care. While VA did not set an FY 2014 performance target for Patient Reported Abstinence, it did report actual performance for the fiscal year, and set an FY 2015 target for Patient Reported Abstinence.
- Nothing came to our attention that caused us to believe VA did not meet its FY 2014 Research and Development target for the substance abuse disorder on-going studies performance measure. As a result, VA is not required to offer an explanation for failing to meet a performance target, for recommendations concerning plans and schedules for meeting future targets, or for revising or eliminating performance targets for this measure.

- Nothing came to our attention that caused us to believe the methodology described in the Performance Summary Report establishing performance targets for the current year is not reasonable given past performance and available resources.
- Nothing came to our attention that caused us to believe VA did not establish at least one acceptable performance measure for each Drug Control Decision Unit, as defined by the Circular, for which a significant amount of obligations were incurred in the previous fiscal year.

The Department concurred with our report without further comments.



NICK DAHL
Director
Bedford Audit Division

VA's Management Representation Letter

Department of Veterans Affairs

Memorandum

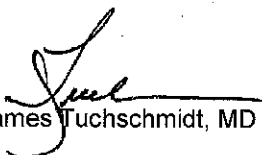
Date: January 6, 2015
From: Acting Principal Deputy Under Secretary for Health (10A)
Subj: Management Representation Letter for the Independent Review of the VA's FY 2014 Performance Summary Report to the Office of National Drug Control Policy (Project Number 2015-00875-R1-0048) (VAIQ 7562433)
To: Assistant Inspector General for Audits and Evaluations (52)

1. We are providing this letter in connection with your attestation review of our Performance Summary Report to the Director, Office of National Drug Control Policy (ONDCP). We confirm, to the best of our knowledge and belief that the following representations made to you during your attestation review are accurate and pertain to the fiscal year (FY) ended September 30, 2014.
2. We confirm that we are responsible for and have made available to you the following:
 - a. The Performance Summary Report for FY 2014 required by the Circular.
 - b. All supporting records and related information and data relevant to the performance measures within the FY 2014 Performance Summary Report; and
 - c. Communications, if any, from the ONDCP and other oversight bodies concerning the FY 2014 Performance Summary Report and information therein.
3. We confirm that the FY 2014 Performance Summary Report was prepared in accordance with the requirements and criteria of the Office of National Drug Control Policy (ONDCP) Circular, Drug Control Accounting, January 18, 2013.
4. We understand your review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants, and the applicable standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination and accordingly, you will not express an opinion on the Performance Summary Report and related disclosures.

Page 2

Management Representation Letter for the Independent Review of the VA's FY 2014 Performance Summary Report to the Office of National Drug Control Policy (Project Number 2015-00875-R1-0048)

5. No events have occurred subsequent to September 30, 2014, that would have an effect on the Performance Summary Report and the information therein.


James Tuchschildt, MD

Attachment A Patient Reported Abstinence

**Department of Veterans Affairs
Veterans Health Administration
FY 2014 Performance Summary Report**

I. PERFORMANCE INFORMATION

Decision Unit 1: Veterans Health Administration

Measure 1: Patient Reported Abstinence

FY 2013 Baseline	FY 2014 Target	FY 2014 Actual	FY 2015 Target
87%	N/A%	85%	88%

(a) This measure was established at the request of the Office of National Drug Control Policy to reflect patient reported outcomes of recent abstinence rather than the previously reported process measure on continuity of care. It applies to patients diagnosed with drug use disorders entering specialty outpatient treatment for Substance Use Disorder (SUD). During FY 2014, VHA continued implementation of clinical symptom monitoring using the Brief Addiction Monitor (BAM) that transmits responses to the national data base with over 7,700 Veterans assessed at the beginning of a new episode of SUD specialty care during the 4th quarter of FY 2014. The BAM is designed to assist SUD specialty care clinicians in initial treatment planning, as well as in monitoring the progress of patients while they are receiving care for a SUD, and serves as a basis for providing patient feedback to enhance motivation for change, and for 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 BAM assesses self-reported substance use in the prior 30 days, including an item inquiring as to days of any use of illicit or non-prescribed drugs, as well as items on use of specific substances.

Indicator: Percent of patients beginning a new episode of treatment for SUD who report abstinence from drug use at follow-up assessment.

Numerator: Veterans with a drug use disorder diagnosis who reported not using any illegal/street drugs or abuse of any prescription medications in the past 30 days when reassessed 30-90 days after their first encounter in outpatient SUD specialty care.

Denominator: Veterans who remain engaged for at least 30 days in a new episode of care in an outpatient specialty care program with a diagnosis of drug use disorder.

(b) During the first three quarters of FY 2014 (allowing time for follow-up assessment during Quarter 4), VHA substance use disorder specialty outpatient programs assessed self-reported abstinence from drug use at follow-up among 3,219 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, 85 percent reported abstinence from drugs during the previous 30 days.

(c) In FY14, VHA continued implementation of clinical symptom monitoring using the Brief Addiction Monitor (BAM), which transmits responses to the national data base with an average of approximately 2,500 administrations per month to patients beginning new episodes of SUD specialty care. VHA specialty care programs are now able to use BAM as part of software that integrates the assessment process with our electronic health record; however, VA does not yet have the capability to incorporate patient generated data directly into the electronic health record (e.g., using waiting room computer tablets or remote web-based data entry), and this limits clinical feasibility for efficient collection and entry of these patient reported outcomes during treatment. Higher rates across programs of initial assessment and re-assessment during treatment may provide more representative estimates of self-reported recovery during early abstinence than the estimates based on the selected samples collected from programs that have begun implementation to date. As implementation continues, VA will monitor assessment rates and self-reported abstinence to inform future performance targets that do not provide disincentives for retaining in care Veterans with conditions that may take longer to respond to treatment interventions. The BAM is designed to assist SUD specialty care clinicians in monitoring the progress of patients while they are receiving care for a SUD, serving as a basis for providing patient feedback to enhance motivation for change, and for informing clinical decisions such as the intensity of care required for the patient. Consultation regarding implementation of measurement based care continues to be offered through national resources, including the Substance Use Disorder Quality Enhancement Research Initiative and the two Centers of Excellence in Substance Abuse Treatment and Education.

(d) Performance Measures are maintained by the VHA Office of Analytics and Business Intelligence. In the case of the SUD measure, patient reported outcomes are collected by clinical staff, entered into the electronic health record using VistA software, and transmitted to the Corporate Data Warehouse from which they are extracted for aggregate analyses. The extraction methodology uses the appropriate DSS identifier codes (stop codes) and diagnostic codes to select the patients who meet the criteria for inclusion in the measure.

II. MANAGEMENT'S ASSERTIONS

(1) Performance reporting systems appropriate and applied. Performance Measures are maintained by the VHA Office of Analytics and Business Intelligence. In the case of the SUD measure, workload data generated at the facility is transmitted to the VHA Austin Data Center. The extraction methodology uses the appropriate DSS identifier codes (stop codes) and diagnosis codes to select the patients who meet the criteria for inclusion in the measure. The patient data is then extracted from the Corporate Data Warehouse for aggregate analysis. The system was properly applied to generate the performance data.

(2) Explanations for not meeting performance targets are reasonable. In FY 2014 there was no target established for this new measure.

(3) Methodology to establish performance targets is reasonable and applied. In consultation with the program office in Patient Care Services and the Office of Analytics and Business Intelligence, targets are set to promote performance improvement while considering changes in the healthcare delivery system and the impact on case mix in SUD specialty care. Based on careful consideration of all these factors, VA has identified for FY 2015, a target of 88 percent patient reported abstinence from drugs during early recovery among patients with drug use disorders engaged in a new episode of SUD specialty treatment.

(4) Adequate performance measures exist for all significant drug control activities. VHA is measuring outcomes related to treatment of Veterans with SUD.

Performance

This section on FY 2014 performance is based on agency Government Performance and Results Act (GPRA) documents, an OMB assessment, and other agency information. VHA reports performance for two separate drug-related initiatives (1) health care and (2) research and development. VHA's health care performance measure for ONDCP reporting purposes is "patient reported abstinence" (i.e., percent of patients with drug use disorders remain engaged for at least 30 days in a new episode of care in an outpatient specialty care program, and who report abstinence from drug use at follow-up assessment).

The dollars expended in VHA research help to acquire new knowledge to improve the prevention, diagnosis, and treatment of disease. These funds also generate new knowledge to improve the effectiveness, efficiency, accessibility, and quality of veterans' health care.

Discussion of Current Program

In FY 2014, VHA provided services to 131,915 patients with a primary drug use disorder diagnosis. Of patients with any confirmed drug use disorder diagnosis (i.e., diagnosed at two or more outpatient visits or one inpatient discharge), 33 percent used cocaine, 25 percent used opioids and 37 percent used cannabis. Eighty percent had co-existing psychiatric diagnoses. (These categories are not mutually exclusive.)

According to the 2012 *Drug and Alcohol Program Survey* (DAPS; the most recent survey results available pending re-administration in early 2015), at the start of FY 2013, 56 percent of VA facilities were able to offer 24-hour Substance Use Disorder (SUD) care on-site, 41 percent of facilities offered intensive outpatient services as their highest intensity of SUD care, and 82 facilities (59 percent) reported offering stand-alone intensive outpatient treatment that was not a component of a 24-hour care program. In FY12, 97 percent of facilities offered either 24-hour care or intensive outpatient programming on site. All VA facilities currently provide SUD services within a specialty setting, as well as in general mental health settings.

VA provides two types of 24-hour-a-day care to patients having particularly severe substance use disorders. VA offers 24-hour care in residential rehabilitation treatment programs for substance use disorders. Additionally, 24-hour care is provided for detoxification in numerous inpatient medical and general mental health units throughout the VA system. Outpatient detoxification is available for patients who are medically stable and who have sufficient social support systems to monitor their status. Most Veterans with substance use disorders are treated in outpatient programs. Intensive substance use disorder outpatient programs provide at least three hours of service per day to each patient, and patients attend them three or more days per week. Standard outpatient programs typically treat patients for an hour or two per treatment day and patients attend one or two days a week.

VHA is steadily expanding the availability of opioid agonist treatment for opioid-dependent Veterans. In FY 2014, evidence-based medication assisted treatment for opioid dependence, including office-based treatment with buprenorphine, was provided to patients at all but 7 VA Medical Centers (over 95 percent of the total). Over 300 total sites of service provided at least some buprenorphine, including Community-Based Outpatient Clinics separate from the medical centers. VA operates federally regulated

Opioid Treatment Programs that can provide methadone maintenance on-site at 31 larger urban locations, and at a growing number of VHA facilities that maintain contractual arrangements or arrange non-VA care for providing these services through community-based licensed Opioid Treatment Programs. VHA has also expanded access to other SUD treatment services with continued special purpose funding for 406 SUD staff assigned to work in large community based outpatient clinics, mental health residential rehabilitation programs, intensive SUD outpatient programs and posttraumatic stress disorder (PTSD) teams. Active monitoring is ongoing for replacing any positions that become vacant.

Consistent with principles of recovery, VA is setting the standard for a new and emerging health care profession, known as "Peer Specialists." As of September, 2014, VHA had hired 870 Peer Specialists and Peer Apprentices, exceeding the hiring goal set in President Obama's August 31, 2012, Executive Order aimed at improving access to mental health services for Veterans, service members, and military families. Through the development of position descriptions that clearly outline the job duties of both Peer Specialists and Peer Support Assistants, certification of training requirements for both positions and consistently-defined, job-specific competencies, Peer Specialists and Peer Support Assistants are poised to provide a unique set of services to Veterans seeking care for mental health and substance use disorders.

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 is to ensure pain management is addressed thoughtfully, compassionately and safely. Based on comparisons of national data between the quarter beginning in July 2012 and the quarter ending in September 2014, several aspects of the Opioid Safety Initiative have begun to show positive results. Despite an increase in the number of Veterans who were dispensed any medication from a VA pharmacy, 50,896 fewer Veterans received an opioid prescription (including short and long-term use) from VA, 38,408 fewer Veterans were on long-term opioids, and 20,533 fewer Veterans received opioid and benzodiazepine medications. There has been an increase in the number of Veterans (by 63,962) on long term opioid therapy who have had at least one urine drug screen. The average dose of selected opioids has begun to decline slightly in VA, demonstrating that prescribing and consumption behaviors are changing.

Programs to end Homelessness among Veterans have SUD specialists to support the Department of Housing and Urban Development – VA Supportive Housing (HUD-VASH) program. In addition, there are SUD Specialists working in Health Care for Homeless Veterans (HCHV) programs. These specialists emphasize early identification of SUD as a risk for maintaining permanent housing, promote engagement or re-engagement in SUD specialty care programs, and serve as links between Homeless and SUD programs. All VA medical centers have at least one designated Veterans Justice Outreach (VJO) Specialist (172 total full-time); most of these are centrally-funded positions, dedicated to serving justice-involved Veterans on a full-time basis.

During FY14, VHA continued implementation of clinical symptom monitoring using the BAM that transmits responses to the national data base with over 7,700 Veterans with alcohol or drug use disorders assessed at the beginning of a new episode of SUD specialty care during the 4th quarter of FY2014. The BAM is designed to assist SUD specialty care clinicians in initial treatment planning and in monitoring the progress of patients while they are receiving care for a substance use disorder, and serves as a basis for providing patient feedback to enhance motivation for change, and for 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 BAM assesses self-reported substance use in the prior 30 days, including an item inquiring as to days of any use of illicit or non-prescribed drugs, as well as items on use of specific substances.

Attachment B Research and Development

Office of Research and Development, Department of Veterans Affairs Fiscal Year 2014 Performance Summary Report To the Office of National Drug Control Policy

1. Performance Information

Performance Measure: Each fiscal year the Office of Research and Development (ORD) will have at least 10 ongoing studies directly related to substance abuse disorder: 5 ongoing studies related to alcohol abuse and 5 ongoing studies related to other substance abuse.

How the measure is used in the program: Most ORD-funded studies are investigator-initiated. Many clinicians who treat patients also perform research, so their research is targeted at diseases and disorders that they treat. Investigators will be encouraged to undertake research in this important area.

Performance results for the previous fiscal years: In fiscal year (FY) 2008, ORD funded 17 studies related to substance abuse disorder, 38 related to alcohol abuse, and 14 that were related to both substance abuse disorder and alcohol abuse. In FY 2009, ORD funded 20 studies related to substance abuse disorder, 45 related to alcohol abuse, and 10 related to both. In FY 2010, ORD funded 21 studies related to substance abuse disorder, 46 related to alcohol abuse, and 14 related to both. In FY 2011, ORD funded 37 studies related to substance abuse disorder, 51 related to alcohol abuse, and 8 related to both. In FY 2012, ORD funded 32 studies related to substance abuse disorder, 56 related to alcohol abuse, and 10 related to both. In FY 2013, ORD funded 30 studies related to substance abuse disorder, 59 related to alcohol abuse, and 17 related to both.

Comparison of the most recent fiscal year to its target: The targets for FY 2014 were exceeded. See Table 1.

Target for the current fiscal year: Although the actual values (number of studies) exceeded the target for FY 2014, we have not increased the target for FY 2015. This is because there is wide variation in the amount of funding per project. The more expensive studies are usually multisite clinical trials. Leaving the target at its present level would allow flexibility in the types of studies that are funded.

Procedures used to ensure that the performance data is accurate, complete, and unbiased. The data is obtained from the Office of Research and Development's (ORD's) database that lists all of its funded projects. A report is produced that lists all funds sent to the VA medical centers

for projects on drug and alcohol dependence for the four ORD services for a given fiscal year. The number of projects in the list is counted.

Table 1

Measure	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Target	FY 2014 Actual	FY 2015 Target
Number of ongoing research studies related to substance abuse disorder	21	37	32	30	5	32	5
Number of ongoing research studies related to alcohol abuse	46	51	56	59	5	67	5
Number of ongoing research studies related to both substance abuse disorder and alcohol abuse	14	8	10	17	N/A*	25	N/A*

*Targets have not been established.

2. Management Assertions

Performance reporting system is appropriate and applied.

The VA Office of Research and Development (ORD) consists of four main divisions:

Biomedical Laboratory: Supports preclinical research to understand life processes from the molecular, genomic, and physiological level in regard to diseases affecting Veterans.

Clinical Science: Administers investigations, including human subject research, to determine feasibility or effectiveness of new treatments (e.g., drugs, therapy, or devices) in small clinical trials or multi-center cooperative studies, aimed at learning more about the causes of disease and developing more effective clinical care.

The Cooperative Studies Program (CSP) is a major division within Clinical Science R&D that specializes in designing, conducting, and managing national and international multi-site clinical trials and epidemiological research.

Health Services: Supports studies to identify and promote effective and efficient strategies to improve the organization, cost-effectiveness, and delivery of quality healthcare to Veterans.

Rehabilitation: Develops novel approaches to restore Veterans with traumatic amputation, central nervous system injuries, loss of sight and/or hearing, or other physical and cognitive impairments to full and productive lives.

In order for funds to be allocated to a project, they must be entered into the Research Analysis Forecasting Tool (RAFT) database.

Starting in FY2009, all Merit Review proposals (our major funding mechanism) were submitted electronically via the eRA Commons system, and projects that were approved for funding were identified. Funding data for these projects were transferred electronically to RAFT. A few Career Development proposals are included in the list of projects. The capability to submit Career Development proposals electronically via eRA Commons was in place near the end of FY 2010.

Preparation of the list of projects.

The BLR&D/CSR&D administrative officer extracted all funded projects for the fiscal year from RAFT and exported the data into an Excel spreadsheet. The alcohol and drug abuse projects were identified by reviewing the title. Any questionable projects were verified as relevant or not relevant upon review of the abstract. In some cases, the title listed was the type of investigator award. For those, the title was obtained from the abstract. Project start and end dates were included in the spreadsheet. If there were multiple researchers or a researcher with multiple funds for the same project (e.g., salary award plus Merit Review award), then the earliest start date and latest end date were used. Although great care is taken to provide an inclusive list of projects, our database management system does not have robust reporting capabilities, so some projects may have been omitted.

Explanations for not meeting performance targets are reasonable.

Not applicable. The targets were met.

Methodology to establish performance targets is reasonable and applied.

VA Research and Development focuses on research on the special healthcare needs of Veterans and strives to balance the discovery of new knowledge and the application of these discoveries to Veterans' healthcare. VA Research and Development's mission is to "discover knowledge and create innovations that advance the health and care of Veterans and the Nation." ORD supports preclinical, clinical, health services, and rehabilitation research. This research ranges from studies relevant to our aging Veterans (e.g., cancer, heart disease, Alzheimer's disease) to those

relevant to younger Veterans returning from the current conflicts (e.g., PTSD, traumatic brain injury, spinal cord injury). The targets were set at that level to allow flexibility in the projects funded in terms of both subject (e.g., cancer, addiction, heart disease) and type (e.g., preclinical, clinical trials).

Adequate performance measures exist for all significant drug control activities. Since many of the projects do not involve direct interaction with patients, the measure looks at the number of projects rather than specific activities.

Appendix A Office of Inspector General Contact and Staff Acknowledgments

OIG Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720.
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Appendix B Report Distribution

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