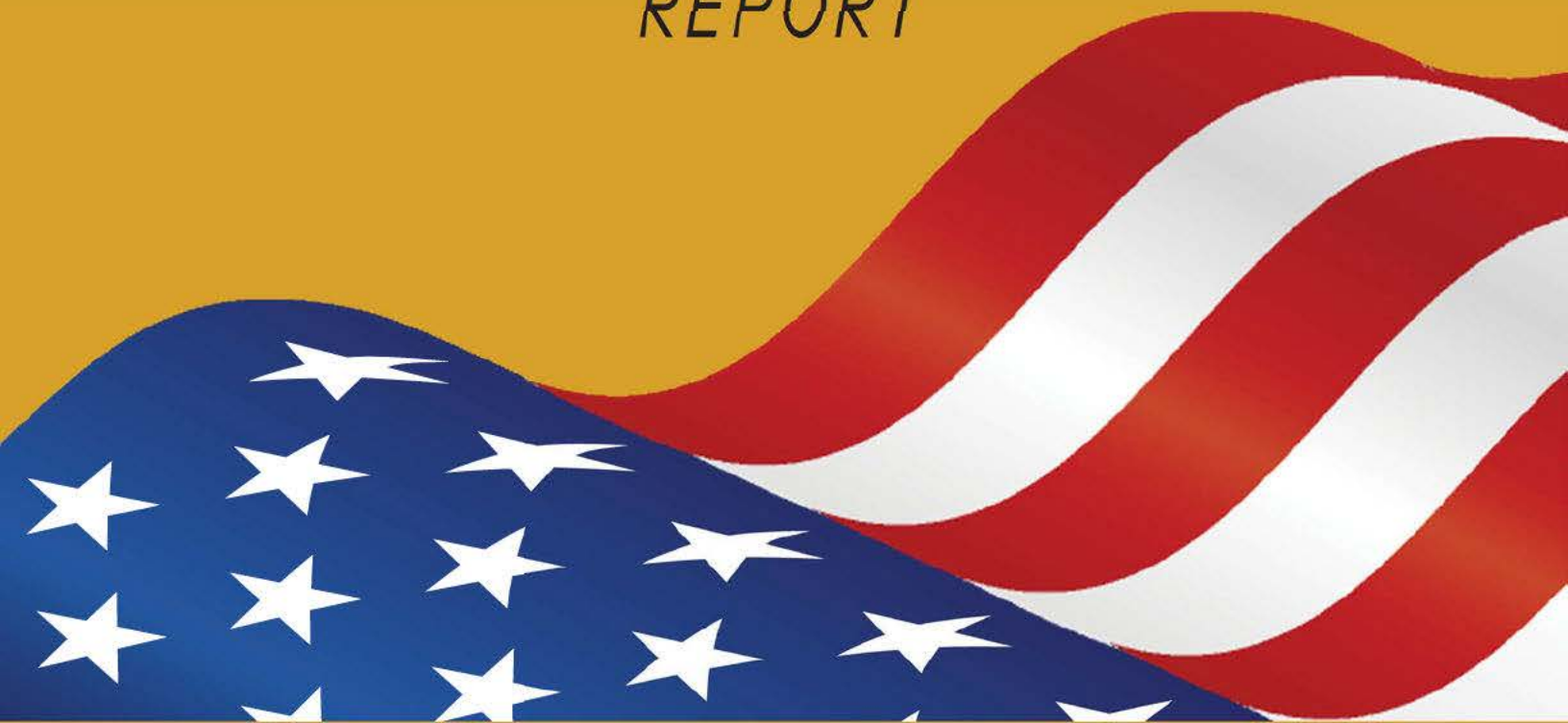




NATIONAL DRUG CONTROL BUDGET

*2026 COMPLIANCE REVIEW
REPORT*





Introduction

This Summary presents to Congress the *2026 Compliance Review Report*. This report consists of Detailed Accounting Reports (DARs) for fiscal year (FY) 2025 and Budget Formulation Compliance Reports (BFCRs) for FY2027 prepared by the National Drug Control Program agencies (NDCPAs).

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

(d) Accounting of funds expended

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

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

The BFCR is required pursuant to *ONDCP Circular: National Drug Control Program Agency Compliance Reviews* Section 6.2:

The CFO, or other accountable senior executive, shall prepare an annual Budget Formulation Compliance Report to the ONDCP Director. For agencies with no bureaus, this submission shall be a single report, as defined by this section. For agencies with bureaus, the Budget Formulation Compliance Report shall consist of reports, as defined by this section, from the agency's bureaus. Each report must include (a) summer budget formulation information and (b) assertions by the CFO or accountable senior executive relating to the summer budget formulation information.

Two government shutdowns occurred in 2026 delaying the submission of detailed accounting from some of the NDCPAs, and, consequently, delaying this Summary.

In assessing reliability, ONDCP anticipates each Office of Inspector General (OIG) will conduct an attestation review consistent with the *Statements for Standards of Attestation Engagements*, promulgated by the American Institute of Certified Public

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



Accountants. An attestation review is more limited in scope than a standard financial audit, the purpose of which is to express an opinion on the NDCPA management's assertions. Thus, the objective of an attestation review is to evaluate an NDCPA's financial reporting and to provide negative assurance. Negative assurance, based on the criteria established by ONDCP guidance, indicates that nothing came to the attention of the OIG that would cause them to believe an NDCPA's submission was presented other than fairly in all material respects.

ONDCP guidance² permits an NDCPA to request an "Unreasonable Burden Exception," if the drug-related obligation is less than \$50 million. If ONDCP approves the exemption request, the NDCPA is not required to undergo the OIG authentication. However, the NDCPA or bureau is still required to meet all of the reporting requirements for the DAR and BFCR as required by *ONDCP Circular: National Drug Control Program Agency Compliance Reviews* Section 6 and Section 7.

NDCPA Compliance Reports and Inspector General Attestation Reviews

Below is a Summary Table of NDCPA Compliance (Table 1). The table provides an overview of each NDCPA's compliance with 21 U.S.C. § 1704(d)(1) and fulfillment of the reporting requirements in *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

ONDCP analyzes the NDCPA reports and OIG's authentication reviews submitted each year to assess reporting compliance across 23 different measures in seven reporting areas. An explanation of the ratings in Table 1 is provided below:

Detailed Accounting Report and Budget Formulation Compliance Report

The ratings in Table 1 reflect the level of compliance of the NDCPA with requirements for (a) reporting the required budget and accounting data and (b) its management making the required assertions regarding that data. Compliance levels are assessed as follows:

- Full Compliance: Information provided by the NDCPA fully complies with the data submission requirements in the ONDCP Circular.
- Medium Compliance: The NDCPA did not fully comply in meeting one or two of the reporting requirements in the ONDCP Circular.
- Low Compliance: The NDCPA is missing information or did not fully comply with more than two reporting requirements in the ONDCP Circular.
- Noncompliant/Not Provided: The NDCPA did not provide the data/information required by the ONDCP Circular.
- Not Required: The NDCPA is not required to provide the data/information (e.g., NDCPAs that do not have a summer budget process are not required

²ONDCP Circular: National Drug Control Program Agency Compliance Reviews. September 9, 2021.



to submit summer budgets to ONDCP, nor are BFCRs required from those agencies).

Inspector General Authentication

The ratings in Table 1 relating to OIG authentication note whether the NDCPA's OIG conducted a review (yes/no) and identifies whether the OIG determinations on the budget formulation and accounting reports are:

- Reasonable: The NDCPA's OIG determines the assertion made is reasonable.
- Not Reasonable: The NDCPA's OIG determines the assertion made is not reasonable.
- Can't Determine: The NDCPA's OIG reported being unable to determine the reasonableness of the assertion.
- Noncompliant / Not provided: The NDCPA's OIG failed to submit findings according to the ONDCP Circular.
- Not Required: OIG authentication occurred less than or equal to 2 years ago.
- Compliant: NDCPA's request for an undue burden exemption from OIG review was approved by ONDCP.



Table 1 – Summary Table of NDCPA Compliance

	<u>Detailed Accounting Report</u>		<u>Budget Formulation Compliance</u>		<u>OIG Authentication</u>		
	<u>FY 2025 Accounting Information</u>	<u>Management Assertions</u>	<u>FY 2027 Budget Information</u>	<u>Management Assertions</u>	<u>Review of Compliance Reports</u>	<u>Determination of BFR Assertions</u>	<u>Determination of DAR Assertions</u>
Department of Agriculture							
Office of Rural Development	Medium	Full	Full	Full	No	Not Required	Not Required
US Forest Service	Full	Full	Full	Full	No	Not Required	Not Required
AmeriCorps	Full	Full	Not Required	Not Required	No	Not Required	Not Required
Appalachian Regional Commission	Full	Full	Full	Full	No	Not Required	Not Required
Court Services and Offender Supervision Agency	Full	Full	Not Required	Not Required	No	Not Required	Not Required
Department of Education							
Office of Elementary and Secondary Education	Full	Full	Not Required	Full	No	Not Required	Not Required
Department of Health and Human Services							
Administration for a Healthy America	Not Required	Not Required	Full	Full	No	Not Required	Not Required
Administration for Children and Families	Full	Full	Full	Full	No	Not Required	Not Required
Centers for Disease Control and Prevention	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Centers of Medicare and Medicaid Services	Full	Full	Medium	Full	No	Not Required	Not Required
Food and Drug Administration	Full	Full	Full	Medium	Yes	Reasonable	Reasonable
Health Resources and Service Administration	Medium	Medium	Not Required	Not Required	No	Not Required	Not Required
Indian Health Service	Full	Full	Full	Full	No	Not Required	Not Required
National Institutes of Health - NIDA/NIAAA	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Substance Abuse And Mental Health Services Administration	Full	Full	Not Required	Not Required	No	Not Required	Not Required
Department of Homeland Security							
Customs and Border Protection	Full	Full	Full	Medium	No	Not Required	Not Required
Federal Emergency Management Agency	Full	Full	Full	Medium	No	Not Required	Not Required
Federal Law Enforcement Training Center	Full	Full	Full	Medium	No	Not Required	Not Required
Immigration and Customs Enforcement	Full	Full	Full	Medium	No	Not Required	Not Required
United States Coast Guard	Full	Full	Full	Medium	No	Not Required	Not Required
Science and Technology Directorate	Full	Full	Full	Medium	No	Not Required	Not Required
Department of Housing and Urban Development							
Community Planning and Development	Medium	Full	Full	Full	Yes	Reasonable	Reasonable
Department of the Interior							
Bureau of Indian Affairs	Full	Full	Full	Full	No	Not Required	Not Required
Bureau of Land Management	Full	Full	Full	Medium	No	Not Required	Not Required
National Park Service	Full	Full	Full	Medium	No	Not Required	Not Required
Department of Justice							
Asset Forfeiture Fund	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Bureau of Alcohol, Tobacco, Firearms and Explosives	Full	Full	Full	Full	No	Not Required	Not Required
Bureau of Prisons	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Criminal Division	Full	Full	Full	Full	No	Not Required	Not Required
Drug Enforcement Administration	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Federal Bureau of Investigation	Full	Full	Full	Full	No	Not Required	Not Required
Office of Justice Programs	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Organized Crime Drug Enforcement Task Forces	Full	Full	Not Required	Not Required	Yes	Reasonable	Reasonable
U.S. Attorneys	Full	Full	Full	Full	No	Not Required	Not Required
U.S. Marshals Service	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Department of Labor							
Employment and Training Administration	Medium	Full	Full	Full	No	Not Required	Not Required
Office of Workers' Compensation Programs	Full	Full	Full	Full	No	Not Required	Not Required
Employee Benefits Security Administration	Full	Full	Full	Full	No	Not Required	Not Required
Office of Inspector General	Full	Full	Full	Full	No	Not Required	Not Required



	Detailed Accounting Report		Budget Formulation Compliance		OIG Authentication		
	FY 2025 Accounting Information	Management Assertions	FY 2027 Budget Information	Management Assertions	Review of Compliance Reports	Determination of BFR Assertions	Determination of DAR Assertions
Department of State							
Bureau of Int'l Narcotics and Law Enforcement Affairs	Full	Full	Not Required	Not Required	No	Not Required	Not Required
Department of Transportation							
Federal Aviation Administration	Full	Full	Full	Full	No	Not Required	Not Required
National Highway Traffic Safety Administration	Full	Full	Full	Full	No	Not Required	Not Required
Department of the Treasury							
Financial Crimes Enforcement Network	Full	Full	Full	Full	No	Not Required	Not Required
Internal Revenue Service	Full	Full	Full	Full	Yes	Reasonable	Reasonable
Office of Foreign Assets Control	Full	Full	Low	Medium	No	Not Required	Not Required
Department of Veterans Affairs							
Veterans Health Administration	Full	Full	Full	Full	No	Not Required	Not Required
Department of War							
Under Secretary of War (USW) (Policy)/DASW (CN>)	Medium	Medium	Not Required	Not Required	No	Not Required	Not Required
USW (Policy)/Defense Security Cooperation Agency	Noncompliant	Noncompliant	Noncompliant	No Assertion	Noncompliant	Noncompliant	Noncompliant
USW (Personnel and Readiness)/Defense Health	Full	Full	Not Required	Not Required	No	Not Required	Not Required
United States Postal Inspection Service	Full	Full	Full	Full	No	Noncompliant	Noncompliant



Frequency of Inspector General Authentication

Provided below is the Inspector General Authentication Reviews Frequency table (Table 2) which summarizes recent OIG review activity for each NDCPA.

Table 2 – Inspector General Authentication Reviews Frequency¹

	2024 Compliance Report	2025 Compliance Report	2026 Compliance Report
Department of Agriculture			
Office of Rural Development	No ²	No ²	No ²
US Forest Service	No ²	No ²	No ²
AmeriCorps	No ²	No ²	No ²
Appalachian Regional Commission	No ²	No ²	No ²
Court Services and Offender Supervision Agency	No ³	No ³	No ³
Department of Education			
Office of Elementary and Secondary Education	No ²	Yes	No
Department of Health and Human Services			
Administration for a Healthy America	No ²	No ²	No ²
Administration for Children and Families	No ²	No ²	No ²
Centers for Disease Control and Prevention	No	No	Yes
Centers of Medicare and Medicaid Services	No	Yes	No
Food and Drug Administration	No	No	Yes
Health Resources and Service Administration	No	Yes	No
Indian Health Service	Yes	No ²	No ²
National Institutes of Health - NIDA/NIAAA	No	No	Yes
Substance Abuse and Mental Health Services Administration	Yes	No	No
Department of Homeland Security			
Customs and Border Protection	Yes	No	No
Federal Emergency Management Agency	No ²	No ²	No ²
Federal Law Enforcement Training Center	Yes	No	No
Immigration and Customs Enforcement	Yes	No	No
United States Coast Guard	No	Yes	No
Science and Technology Directorate	No ²	No ²	No ²
Department of Housing and Urban Development			
Community Planning and Development	No	No	Yes
Department of the Interior			
Bureau of Indian Affairs	No ²	No ²	No ²
Bureau of Land Management	No ²	No ²	No ²
National Park Service	No ²	No ²	No ²



	2024 Compliance Report	2025 Compliance Report	2026 Compliance Report
Department of Justice			
Asset Forfeiture Fund	Yes	Yes	Yes
Bureau of Alcohol, Tobacco, Firearms and Explosives	Yes	Yes	No
Bureau of Prisons	Yes	Yes	Yes
Criminal Division	Yes	No ²	No
Drug Enforcement Administration	Yes	Yes	Yes
Federal Bureau of Investigation	Yes	Yes	No
Office of Justice Programs	Yes	Yes	Yes
Organized Crime Drug Enforcement Task Forces	Yes	No	Yes
U.S. Attorneys	Yes	No	No
U.S. Marshals Service	Yes	No	Yes
Department of Labor			
Employment and Training Administration	No ²	No ²	No ²
Office of Workers' Compensation Programs	No ²	No ²	No ²
Employee Benefits Security Administration	No ²	No ²	No ²
Office of Inspector General	No ²	No ²	No ²
Department of State			
Bureau of International Narcotics and Law Enforcement Affairs	Yes	No	No
Department of Transportation			
Federal Aviation Administration	No ²	No ²	No ²
National Highway Traffic Safety Administration	No ²	No ²	No ²
Department of the Treasury			
Financial Crimes Enforcement Network	No ²	No ²	No ²
Internal Revenue Service	No	No	No
Office of Foreign Assets Control	No ²	No ²	No ²
Department of Veterans Affairs			
Veterans Health Administration	No	Yes	No
Department of War			
Under Secretary of War (USW) (Policy)/DASW (CN>)	No	No	No
USW (Policy)/Defense Security Cooperation Agency	No	Yes	No
USW (Personnel and Readiness)/Defense Health	No	No	No
United States Postal Inspection Service	No	No	No

¹Calendar year the Compliance Report is submitted in compliance with 21 U.S.C. § 1704(d).

²Unreasonable burden exception granted consistent with ONDCP Circular: National Drug Control Program Agency Compliance Reviews Section 8.d.

³The NDCPA does not have an Office of Inspector General or function to review and express a conclusion on the reliability of compliance report assertions made in its report.



Summary of NDCPA Reports

The information below provides a summary of the level of reporting compliance for each NDCPA, and an explanation of issues where NDCPAs were not fully compliant with reporting requirements; providing additional information relating to compliance issues or material weaknesses. ONDCP will work, as noted, with NDCPAs to address compliance issues and material weaknesses for future reporting.

Department of Agriculture

The following bureau in the Department of Agriculture (USDA) was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- United States Forest Service

The following USDA bureau was assessed as being in less than full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Office of Rural Development (RD) was assessed as being in medium compliance for the DAR and full compliance for the BFCR data requirements. The RD OIG identified one material weakness in the internal controls for the Unliquidated Obligations (ULOs). The material weakness may affect the presentation of prior year drug-related obligations data. RD will implement comprehensive guidance for the ULO process to enhance tracking, documentation, and timely execution of obligations.

AmeriCorps

AmeriCorps was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

Appalachian Regional Commission

The Appalachian Regional Commission was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

Court Services and Offender Supervision Agency

The Court Services and Offender Supervision Agency was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.



Department of Education

The Department of Education was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

Department of Health and Human Services

The following bureaus in the Department of Health and Human Services (HHS) were assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Administration for Children and Families
- Administration for a Healthy America
- Centers for Disease Control and Prevention (CDC)
- Indian Health Service
- National Institutes of Health – NIDA/NIAAA
- Substance Abuse and Mental Health Services Administration (SAMHSA)

The following HHS bureaus were assessed as being in less than full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Center for Medicaid and Medicare Services (CMS) was assessed as being in and full compliance for the DAR and medium compliance for the BFCR data requirements regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. CMS reports actuarial outlay estimates for their mandatory spending program rather than budget authority expenditures because calculations occur under a different time schedule than discretionary funding. ONDCP will work with CMS to achieve full compliance when reporting data for 2027 Compliance Review Report.
- Food and Drug Administration (FDA) was assessed as being in full compliance for the DAR and medium compliance for the BFCR regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. FDA did not satisfy the Timeliness of Summer Budget Submission requirement for the BFCR. ONDCP will work with FDA to achieve full compliance when reporting data for 2027 Compliance Review Report.
- Health Resources and Service Administration (HRSA) was assessed as being in medium compliance for the DAR regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. HRSA's Resource Summary table presents estimated drug control funding for FY 2025. In accordance with the ONDCP Circular, the funding table is required to include all drug control budget authority for FY 2025 and the obligations against the budget authority based on applying HRSA's drug control methodology to data derived from the



agency accounting system. ONDCP is working with HRSA to achieve full compliance when reporting data for the 2027 Compliance Review Report.

The HHS Budget Formulation Compliance Report only reflects the components that would manage drug control funds after the completion of the proposed HHS reorganization plan. The Administration for a Healthy America (AHA) is proposed to consolidate programs across HRSA, SAMHSA, and CDC.

Department of Homeland Security

The following bureaus in the Department of Homeland Security (DHS) were assessed as being in full compliance for the DAR and less than full compliance for the BFCR regarding ONDCP Circular: National Drug Control Program Agency Compliance Reviews:

- Customs and Border Protection
- Federal Emergency Management Agency
- Federal Law Enforcement Training Center
- Immigration and Customs Enforcement
- United States Coast Guard
- Science and Technology Directorate

The DHS bureaus did not satisfy the Timeliness of Summer Budget Submission requirement for the BFCR. ONDCP will work with DHS to achieve full compliance when reporting data for the 2027 Compliance Review Report.

Department of Housing and Urban Development

The Department of Housing and Urban Development's (HUD) Community Planning and Development was assessed as being in medium compliance for the DAR and full compliance for the BFCR regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. HUD partially satisfied the requirement for reporting data on the Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function for the DAR. ONDCP will work with HUD to achieve full compliance when reporting data for 2027 Compliance Review Report.

Department of the Interior

The Department of the Interior's (DOI) Bureau of Indian Affairs (BIA), Bureau of Land Management (BLM) and National Park Service (NPS) were assessed as being in full compliance for the DAR regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. While BIA was in full compliance, BLM and NPS were assessed as being in medium compliance for the BFCR. BLM and NPS did not satisfy the Timeliness of Summer Budget Submission requirement for the BFCR. ONDCP



will work with DOI to achieve full compliance when reporting data for 2027 Compliance Review Report.

Department of Justice

The following bureaus in the Department of Justice were assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Asset Forfeiture Fund
- Bureau of Alcohol, Tobacco, Firearms and Explosives
- Bureau of Prisons
- Criminal Division
- Drug Enforcement Administration
- Federal Bureau of Investigation
- Office of Justice Programs
- Organized Crime Drug Enforcement Task Forces
- Offices of the United States Attorneys
- United States Marshals Service

Department of Labor

The following bureaus in the Department of Labor (DoL) were assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Office of Workers' Compensation Programs
- Employee Benefits Security Administration
- Office of Inspector General

The following bureau in the DoL was assessed as being in medium compliance for the DAR and full compliance for the BFCR regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

- Employment and Training Administration (ETA) was assessed as being in medium compliance for the DAR. The OIG recommended that the ETA Job Corps identify and report drug control related data that aligns with the President's *Strategy* and ONDCPs reporting timelines.

Department of State

The Department of State was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.



Department of Transportation

The following bureaus in the Department of Transportation (DOT) were assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Federal Aviation Administration
- National Highway Traffic Safety Administration (NHTSA)

Department of the Treasury

The following bureaus in the Department of the Treasury were assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Financial Crimes Enforcement Network
- Internal Revenue Service

The Office of Foreign Assets Control was assessed as being in full compliance for the DAR and low compliance for BFCR Budget Information and medium compliance for the BFCR Management Assertions regarding *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

Department of Veterans Affairs

The Department of Veterans Affairs' Veterans Health Administration was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*.

Department of War

The following bureau in the Department of War (DoW) is assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Defense Health Agency

The following DOW bureau is assessed as being in less than full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*:

- Office of the Deputy Assistant Secretary of War for Counternarcotics and Global Threats (DASW CNGT) is assessed as low compliance for the DAR accounting information and noncompliant for the DAR assertions. The DASW CNGT did not submit all the information requested in the DAR and did not assert to each item identified in the DAR according to the *ONDCP Circular*.



The following bureau in DoW did not submit a DAR nor a BFCR, and was not in compliance:

- Defense Security Cooperation Agency

ONDCP will work with DoW to achieve full compliance in the 2027 Report.

United States Postal Inspection Service

The United States Postal Inspection Service was assessed as being in full compliance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews*. With regards to the OIG Authentication, the United States Postal Service (USPS) OIG did not conduct a review within the past three years. ONDCP is working with USPS to develop a robust system and plan that satisfies ONDCP's expectations for future reporting.

DEPARTMENT OF AGRICULTURE
Rural Development Mission Area

Budget Formulation Compliance Report

6a. Budget Formulation Compliance Report

1) Summer Drug Budget Transmittal – The FY 2027 Rural Development (RD) Budget and Performance request was submitted to ONDCP on September 26, 2025, included RD’s drug control budget proposal, under ONDCP Circular: Budget Formulation, Section 9.a.(1). The request was provided to ONDCP at the same time that the budget request was submitted to superiors at the USDA accordance with 21 U.S.C. 1703(c)(1)(A). The FY 2027 Rural Development Budget and Performance submission requested funding to support this effort in the FY 2027 President’s budget. Rural Development affirms the accuracy of the information contained in the submission.

2) Summer Drug Budget Resources Summary Table – Below is a copy of the funding table submitted to ONDCP under Section 9.a.(2) of the ONDCP Circular: Budget Formulation and represents the funding levels by unit in the budget submission made by the RD to the USDA without alteration or adjustment by any official at the USDA.

	FY2025 Enacted	FY 2026 President’s Budget	FY 2027 Request
Drug Resources by Budget Decision Unit, Program and Function			
Distance Learning and Telemedicine Program			
Treatment/prevention	\$7.40	\$5.40	
Total, Decision Unit (\$M)	\$7.40	\$5.40	
Drug Resource Personnel Summary			
Total FTEs (direct only)	N/A	N/A	
Drug Resources as a Percent of the Budget			
Total Agency Budget (in billions)	\$41.8	\$36.8	
Drug Resources Percentage	0.02%	0.02%	

Section I

Program Summary

MISSION

The Department of Agriculture’s Rural Development (RD) is committed to helping improve the economy and quality of life in rural America. They help rural Americans in many ways, including:

- Offering loans, grants, and loan guarantees to help create jobs and support economic development and essential services such as housing, health care, first responder services and equipment, and water, electric, and communications infrastructure.

DEPARTMENT OF AGRICULTURE

Rural Development Mission Area

- Promoting economic development by supporting loans to businesses through banks, credit unions, and community-managed lending pools.
- Offering technical assistance and information to help agricultural producers and cooperatives get started and improve the effectiveness of their operations.
- Providing technical assistance to help communities undertake community empowerment programs, including by helping rural residents buy or rent safe, affordable housing and make health and safety repairs to their homes.

The RD Mission area Fiscal Year (FY) 2027 budget request aligns with ONDCP's drug policy priorities as RD Mission area programs provide funding for health-related operations that support prevention and treatment efforts.

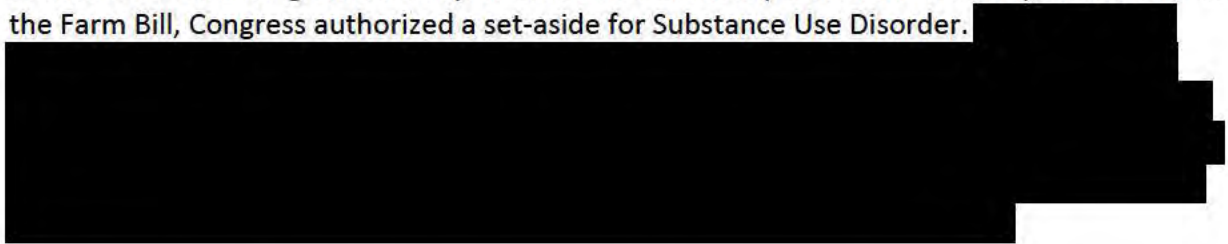
BACKGROUND

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

Those programs are:

1. RHS: Community Facilities (CF) Program: Provides funding to construct, expand, or improve essential community facilities such as, but not limited to: hospitals, medical clinics, fire and rescue stations, public buildings, and other community-based initiatives. The housing, community facility, and community and economic development projects supported under the program could include substance use prevention, treatment, or recovery, but RD does not have a statutory mandate to set-aside for that purpose.

2. RUS: Distance Learning and Telemedicine (DLT) Program: Funds are provided to help rural communities overcome the effects of remoteness and low population density by linking teachers and medical service providers in one area to students and patients in another. In Section 6101 of the Agriculture Improvement Act of 2018 (Public Law 115-334), also known as the Farm Bill, Congress authorized a set-aside for Substance Use Disorder.



3. RUS: DLT Opioid Epidemic: Funds were provided to help strengthen local capacity to address opioid prevention, treatment, and recovery. In the Consolidated Appropriations Act of 2018, (Pub. L. 115-141, §775), Congress appropriated \$20 million via General Provision Section 775 "...to remain available until expended, for an additional amount telemedicine and distance

DEPARTMENT OF AGRICULTURE

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learning services in rural areas, as authorized by 7 U.S.C 950aaa et seq., to help address the opioid epidemic in rural America...”

4. RUS: Solid Waste Management Grant Program (SWMGP): This program reduces or eliminates pollution of water resources in rural areas by providing funding for organizations that provide technical assistance or training to improve the planning and management of solid waste sites in rural areas. The Department will continue its efforts in controlling substances and disposing of them properly.

5. RHS: Tribal College Initiative Grants: This program provides funding to 1994 Land Grant Institutions (Tribal Colleges) for capital improvements to educational facilities and to purchase equipment. Eligible projects include, but are not limited to, education and cultural projects and education equipment. The RD Mission Area may fund opioid/substance abuse projects with funding from other programs. Projects under this program may be related to substance use disorder prevention, treatment or recovery, but RD does not have a statutory mandate to set-aside or prioritize funds for that purpose.

METHODOLOGY

Section 6101(a)(1)(A) of the Agriculture Improvement Act of 2018 (“2018 FB”, P.L. 115-334) requires the Secretary to use at least 20 percent of the funding provided for the DLT program to support substance use disorder treatment services, unless there are not sufficient qualified applicants to reach the 20 percent requirement. In addition, section 6101(a)(1)(B) of the 2018 FB authorized prioritizing the selection of projects for Community Facilities (CF) direct loans or grants that will allow states, counties, tribes, and other applicants to prevent and treat opioid abuse and to support people in recovery. However, the FB prioritization authority does not extend to the Community Facilities Technical Assistance and Training (CF TAT) Grant Program. Under the CF TAT Grant Program, successful applicants can provide technical assistance and training to identify and plan for community facility needs in their area and to identify public and private resources to finance those identified community needs. A community facility need identified under the CF TAT grant program could relate to substance use prevention, treatment, and recovery, but the grant program itself would fund the technical assistance and training to identify that need and resources to support meeting the need, not the actual substance use project. The Notice of Funding Availability/Notice of Solicitation of Applications may provide priority points for administration priorities.

RD could assign priority points in certain programs to administration priorities that can include SUD-related projects. SUD/Opioid Epidemic remains a critical issue facing rural communities. RD does not have a statutory mandate to set-aside or prioritize funds for the purpose of SUD/Opioids beyond DLT and CF direct loans and grants as authorized by the 2018 FB.

DEPARTMENT OF AGRICULTURE
Rural Development Mission Area

BUDGET SUMMARY

	FY2025 Enacted	FY 2026 President's Budget	FY 2027 Request
Drug Resources by Budget Decision Unit, Program and Function			
Distance Learning and Telemedicine Program			
Treatment/prevention	\$7.40	\$5.40	
Total, Decision Unit (\$M)	\$7.40	\$5.40	
Drug Resource Personnel Summary			
Total FTEs (direct only)	N/A	N/A	
Drug Resources as a Percent of the Budget			
Total Agency Budget (in billions)	\$41.8	\$36.8	
Drug Resources Percentage	0.02%	0.02%	

RD is committed to addressing the SUD/Opioid crisis. RD's suite of programs has a positive effect on every aspect of rural life, and we support these efforts by setting aside funds and giving priority points for applications that address substance abuse prevention and treatment related projects for those programs where the FB has authorized it. [REDACTED]

[REDACTED]

RUS: Distance Learning and Telemedicine (DLT) program.

Request: [REDACTED]

The Rural Utilities Service (RUS), an agency of the United States Department of Agriculture (USDA), administers the DLT Program. The DLT grants provide financial assistance to enable and improve distance learning and telemedicine services in rural areas. DLT grants fund support the use of telecommunications-enabled information, audio and video equipment, and related advanced technologies by students, teachers, medical professionals, and rural residents. These grants are intended to increase access in rural areas to education, training, and health care resources that are otherwise unavailable or limited in scope. Funds are provided to help rural communities overcome the effects of physical remoteness and low population density by linking teachers and medical service providers in one area to students and patients in another.

[REDACTED]

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Rural Development Mission Area

Budget Formulation Compliance Report: Assertions

Timeliness of Summer Budget Submission – I assert that the FY 2027 agency request submitted to ONDCP on September 26, 2025, as reported in section 6.a.(1) was provided to ONDCP at the same time that the budget request was submitted to superiors at the USDA accordance with 21 U.S.C. 1703(c)(1)(A). The FY 2027 Rural Development Budget and Performance submission requested funding to support this effort in the FY 2027 President’s budget. Rural Development affirms the accuracy of the information contained in the submission.

Funding Levels Represent Bureau-Level Request – I assert that the funding request in the submission provided in Section 6.a.(2) of this report represents the funding levels by unit in the budget submission made by the RD to the USDA without alteration or adjustment by any official at the USDA.

Cara LeConte
Rural Development CFO

7. Detailed Accounting Report

a. Drug Control Funding Obligations

(1) **Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Funding.** Table displays all drug control budget authority appropriated or otherwise available and obligations against that budget authority for FY 2025. The obligations included in this report reflect the financial data captured in an internal financial report, the Electric and Telephone 205A National Recap. The report includes two line items for Distance Learning and Telemedicine Grants-Substance Use Disorder, breaking out funding between educational and medical initiatives. The carry-over amount included in the table is determined by the delta between the allocation of funds and the obligation of funds in a given fiscal year, while this

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information can be extracted from the 205A Report, the information is crosschecked with the agency's apportionment documents from the Office of Management and Budget. Whereas recoveries refers to the monies de-obligated during the fiscal year; this information is included in the agency's SF-133 Report on Budget Execution and Budgetary Resources.

Table of Prior Year Drug Control Obligations (\$M)

	FY 2024 Actual Obligations	FY 2025 Budget	FY 2025 Carryover and Recoveries	FY 2025 Available	FY 2025 Actual Obligations
Drug Resources by Function					
Treatment	13.59	7.40	3.13	10.53	10.31
Total Drug Resources by Function	13.59	7.40	3.13	10.53	10.31
Drug Resources by Decision Unit					
Distance Learning and Telemedicine Program, Substance Use Disorder	13.59	7.4	3.13	10.53	10.31
Total Drug Resources by Decision Unit	13.59	7.40	3.13	10.53	10.31

2) Drug Methodology – The drug methodology provides a detailed description of how the RD calculates drug control funding levels reported to ONDCP by decision unit and function as presented in the Table of Prior Year Drug Control Obligations.

Section 6101(a)(1)(A) of the Agriculture Improvement Act of 2018 ("2018 FB", P.L. 115-334) requires the Secretary to use at least 20 percent of the funding provided for the DLT program to support substance use disorder treatment services, unless there are not sufficient qualified applicants to reach the 20 percent requirement. In addition, section 6101(a)(1)(B) of the 2018 FB authorized prioritizing the selection of projects for Community Facilities (CF) direct loans or grants that will allow states, counties, tribes, and other applicants to prevent and treat opioid abuse and to support people in recovery. However, the FB prioritization authority does not extend to the Community Facilities Technical Assistance and Training (CF TAT) Grant Program.

Under the CF TAT Grant Program, successful applicants can provide technical assistance and training to identify and plan for community facility needs in their area and to identify public and private resources to finance those identified community needs. A community facility need identified under the CF TAT grant program could relate to substance use prevention, treatment, and recovery, but the grant program itself would fund the technical assistance and

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Rural Development Mission Area

training to identify that need and resources to support meeting the need, not the actual substance use project. The Notice of Funding Availability/Notice of Solicitation of Applications / Notice of Funding Opportunity may provide priority points for administration priorities.

- (3) **Methodology modifications.** The methodology has not changed from prior year submissions. The data provided in table 7.a.(1) (see Table 1) was generated using the methodology described in Section 7.a.(2) (see Table 1) and agreed upon with ONDCP. Calculations are well documented to independently reproduce these data. Also, calculations provide a means to ensure consistency of data between reporting years.
- (4) **Material Weaknesses or Other Findings** – The agency reported one material weakness in 2025 regarding internal controls over Unliquidated Obligations (ULOs), it was identified by OIG and disclosed in the annual certification statement. The material weakness may affect the presentation of prior year drug-related obligations data. Rural Development has not completed A-123 or internal compliance review on this specific program, but the budget and obligations would be included in the overall testing of the budget authority and obligations if the program(s) were sampled. RD will implement comprehensive guidance for the Unliquidated Obligations (ULO) process to enhance tracking, documentation, and timely execution of obligations. This guidance will establish clear, standardized procedures to ensure all obligations are properly supported and invalid obligations are timely deobligated. A ULO Task Group will be formed to address current challenges and develop effective solutions that strengthen process efficiency and accountability. The implementation is targeted for completion by February 5, 2027.
- (5) Reprogrammings or Transfers. None.
- (6) Other Disclosures. None.

Detailed Accounting Report: Assertions

- (1) **Obligations by Budget Decision Unit** – I assert that the obligations reported are the actual obligations obtained from the RD CLSS Financial system- the accounting system of record for these budget decision units. The application of the methodology to obligations data reported in CLSS yields data that fairly present, in all material respects, aggregate obligations presented in the Table of Prior Year Obligations. The 2018 FB requires the Secretary to set aside at least 20 percent from the discretionary appropriations for the DLT grant account funding for Substance Use Disorder, unless the Secretary determines there are not sufficient qualified applicants to reach the 20 percent requirement. To ensure compliance, the required funding is set aside in the RD financial system. Other than the DLT funding, Rural Development did not receive any direct funding for this purpose in the FY 2025 funding bill.

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Rural Development Mission Area

(2) **Drug Methodology** – I assert that the drug methodology agreed with ONDCP was applied. The FB requires the Secretary to use 20 percent of the funding provided for the Distance Learning and Telemedicine program to support substance use disorder treatment services unless it is determined there are not sufficient qualified applicants to reach the 20 percent requirement. In addition, the FB authorized prioritizing the selection of projects for CF direct loans or grants that will allow states, counties, tribes, and other applicants to prevent and treat opioid abuse and to support people in recovery. The FB provides authority for setting priority points for Community Facilities direct loans or grants to applicants who intend to provide substance use disorder treatment with their projects and employ staff that have appropriate expertise and training in how to identify and treat individuals with substance use disorders. However, in FY 2024, Rural Development did not set priority points for CF direct loans and grants for substance use disorder prevention, treatment, or recovery and RD did not publish a FY 2025 notice in the Federal Register. The methodology used to report on obligations under the budget authority is therefore a reasonable and accurate picture of the performance of the budgeted funding for substance use disorder for USDA Rural Development because the only program with funds budgeted for substance use disorder is the Substance Use Disorder Treatment Set-Aside for the DLT Program. While RD may fund projects under other programs to support substance use disorder treatment, those programs do not have explicit budget authority requiring a set aside exclusively for these projects or prioritization of these projects.

(a) **Data** – I assert that the methodology relies on reliable data provided by RD’s CLSS that uses funding control codes assigned by Rural Development’s Financial Office to the DLT Substance Use Set-Aside funding and used by program staff to obligate funding to projects funded using the Set-Aside. The methodology described is based on these funding codes defining the nature of the funding set aside and the obligations incurred against it. Obligations reported here are based on the control code assigned to the funding that is being requested and that represents the Substance Use Disorder Set-Aside for the DLT program. This information is recorded in the financial systems, and it is used for reporting obligations to ONDCP.

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

(7) **Application of Drug Methodology**- I assert that the data provided in table 7.a.(1) (see Table 1). was generated using the methodology described in Section 7.a.(2) (see Table 1). and agreed upon with ONDCP. Calculations are well documented to independently reproduce these data. Also, calculations provide a means to ensure consistency of data between reporting years.

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- (8) **Material Weaknesses or Other Findings** – I assert that RD reported one material weakness in 2025 regarding internal controls over Unliquidated Obligations (ULOs), it was identified by OIG and disclosed in the annual certification statement. The material weakness may affect the presentation of prior year drug-related obligations data. Rural Development has not completed A-123 or internal compliance review on this specific program, but the budget and obligations would be included in the overall testing of the budget authority and obligations if the program(s) were sampled.
- (9) **Methodology Modifications** – I assert that there was no modification of the methodology from prior year.
- (10) **Reprogramming or Transfers** – I assert that there were no reprogramming or transfers affecting the 2018 FB 20 percent set-aside funding.
- (11) **Fund Control Notices:** I assert that the data presented are associated with obligations against a financial plan that complies with all Fund Control Notices issued by the Director under 21 U.S.C. §1703(f) and Section 9 of the ONDCP Circular, Budget Execution. The funding estimates and expenditures are consistent with the approved drug methodology and budget formulation.

Cara LeConte
Rural Development CFO

UNREASONABLE BURDEN EXCEPTION

The Rural Development Chief Financial Officer is requesting an unreasonable burden exception. Rural Development does not receive an annual appropriation for Drug Control programs. RD is attesting that compliance with the Inspector General Authentication requirements of Section 8 of ONDCP Circular: National Drug Control Program Agency Compliance Reviews would constitute an unreasonable reporting burden. RD's prior year obligations are less than \$50 million.

Cara LeConte
Rural Development CFO

DEPARTMENT OF AGRICULTURE
U.S. Forest Service

6. Budget Formulation Compliance Report

6.a Summer Budget Formulation Information

(1) Summer Drug Budget Transmittal

The Fiscal Year (FY) 2027 Summer Budget and the FY 2027 Budget Request were concurrently submitted to the Office of National Drug Control Policy (ONDCP) and the United States Department of Agriculture leadership, respectively, on August 5, 2025, in accordance with 21 U.S.C. §1703(c)(1)(A).

(2) Summer Drug Budget Resource Summary Table:

Budget Authority (in Millions)			
	FY 2025 Enacted	FY 2026 ^{a/} President's Budget	FY 2027 ^{b/} Request
Drug Resources by Function			
Investigations	\$10.154	\$10.154	
Prosecution	0.169	0.169	
State and Local Assistance	0.508	0.508	
Domestic Law Enforcement	0.169	0.169	
Total Drug Resources by Function	\$11.000	\$11.000	
Drug Resources by Decision Unit			
Law Enforcement Agency Support	\$11.000	\$11.000	
Total Drug Resources by Decision Unit	\$11.000	\$11.000	
Drug Resources Personnel Summary			
Total Full-Time Equivalent (FTE)s (direct only)	46	46	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$10.4	\$8.6	
Drug Resources Percentage	0.11%	0.13%	

^{a/}President's Budget reflected estimates at the time of submission and was subject to revision upon enactment of appropriations.

6.b Assertions

I assert that the obligations reported by the Forest Service's Strategic Planning and Accountability unit are the actual obligations from the Financial Management Modernization Initiative (FMMI), the Forest Service's accounting system of record for the Law Enforcement and Investigations (LEI) decision unit.

(1) Timeliness of Summer Budget Submission

I assert that the summer drug budget submitted to ONDCP on August 5, 2025, reported in Section 6.a.(1) was provided to ONDCP at the same time as the budget request submitted to their superior's accordance

with 21 U.S.C. § 1703©(1)(A).

(2) Funding Levels Represent the Forest Service's Level Request

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

The funding request for LEI operations in the 2027 summer drug budget submittal was the same level as the Forest Service's budget request, without alteration or adjustment by any official. Additionally, management asserts the FY 2027 Summer Budget and the FY 2027 Budget Request were concurrently submitted to the ONDCP and the United States Department of Agriculture leadership, respectively, on August 5, 2025, in accordance with 21 U.S.C. §1703©(1)(A). The National Forest System Salaries and Expenses (NFSE) account, which covers law enforcement salaries, is reduced by \$387 million in the FY 2027 President's Budget. Despite this decrease, the Forest Service will fully fund its existing law enforcement investigative workforce, including the 3.8 percent pay increase for calendar year 2026.

7. Detailed Accounting Report

7.a Drug Control Funding Obligations:

(1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Function:

Drug Resources by Decision Unit and Function ^a	Budget Authority (in millions)			
	FY 2025 Actual	FY 2025 Obligations	FY 2026 Enacted	FY 2027 Request
Decision Unit- LE Agency Support				
Drug Resource by Function:				
Investigations	\$10.154	\$6.977	\$10.154	
Research: Domestic Law Enforcement	0.169	0.363	0.169	
Prosecution	0.169	0.098	0.169	
State and Local Assistance	0.508	0.777	0.508	
Total Drug Resources by Unit/Function	\$11.000	\$8.215	\$11.000	
Drug Resources Personnel Summary				
Total FTEs (direct only)	56	56	46	
Drug Resources as a Percent of Budget				
Total Agency Budget (in billions)	\$6.2	\$6.2	\$6.2	
Drug Resources Percentage	0.18%	0.12%	0.18%	

^a Data is sourced from the Law Enforcement Investigation Management Attainment Reporting System and the FMMI tool.

Mission

The overarching mission of the Forest Service is to sustain the health, productivity and vitality of the Nation's forests and grasslands to meet the needs of present and future generations. In support of this mission, one of the Forest Service's LEI core functions is the prevention, disruption, detection, and criminal investigation of violations of federal laws and regulations aimed at protecting natural resources, federal property, employees, and visitors to National Forest System (NFS) lands from the destructive

influence of illicit drugs. Drug enforcement priorities within the Forest Service LEI program encompass the distribution, production, and use of controlled substances. Key concerns include marijuana cultivation, methamphetamine production, the trafficking of illicit controlled substances within the National Forests and the smuggling of drugs and pesticides across international borders. These illegal activities affect the long-term sustainability of our Nation's natural resources and pose increased risks to the health and safety of rural communities, the visiting public, and Forest Service employees.

In support of the Administration's Drug Policy priorities, LEI remains fully committed to a full posture against illicit drug-related incidents on and affecting NFS lands, adapting its strategies to address the evolving nature of these challenges.

(2) Drug Methodology

The Forest Service budget structure includes two budget line items within the NFS appropriation that provide discretionary funding for Forest Service LEI's operations. Program funding comes from the Law Enforcement Operations budget line item within the NFS Treasury symbol. All base salaries for Law Enforcement Officers (LEO), criminal investigators, special agents, and law enforcement support staff are funded by the NFSE account. The combination of the Law Enforcement Operations program funding and the NFSE funding identified for law enforcement staff is the total LEI budget allocation. Within this total LEI budget allocation, funds identified for drug enforcement activities are estimated based on an analysis of LEI's total program of work. The analysis considers the current funding available, which serves as a baseline, and assigns a percentage of that funding based on current staffing levels, trends from previous years' drug enforcement workload and expenditures, and both known and unknown expenditures (such as current workload, costs reported in annual compliance reports, and contingency plans). It also considers needed adjustments to the staffing resources allocated for the expected drug-related program of work. LEI staff performance towards drug-related activities in proportion to total work on all law enforcement duties and responsibilities related to the mission of the Forest Service results in a percentage used to calculate the drug-related funding allocation as part of total LEI funding allocation.

(3) Methodology of Modifications

None.

(4) Material Weakness or Other Findings

There were not any material weaknesses or other findings. The funding and spending estimates are consistent with the drug/funding methodology established.

(5) Reprogramming or Transfers

Law Enforcement Operations is a budget line item within the National Forest System appropriation. Funds allocated for drug enforcement activities are allotted on an as needed basis based on an evolving analysis of the program of work. No reprogramming or transfers were made.

(6) Other Disclosures

LEI is a small directorate within a larger complex land management agency that is approximately 0.18 percent of the Forest Service's overall budget. The Forest Service designated approximately \$11 million for drug control and enforcement activities in FY 2025. LEI currently has approximately 501¹ personnel

¹ 501 total sworn staff whose combined total time working ONDCP related efforts accounts for approximately 56 FTEs

actively engaged in drug control, eradication, investigation, and interdiction in addition to other mission-related activities; any further required financial accounting would be overly burdensome on our limited resources.

The Drug Enforcement Training Program was not held in FY 2025, resulting in an approximate \$1.05 million reduction in obligations. The course is scheduled to be held multiple times in FY 2026. Additionally, FY 2025 obligations were below the projected \$11 million level due to lower operational costs associated with the annual Rainbow Family of Living Light Gathering, personnel attrition and transitions, and competing operational priorities. LEI has recently addressed workforce retention challenges by modernizing its hiring and career progression structure, which had previously limited lateral entry opportunities. These changes have strengthened recruitment and retention and are contributing to a more efficient, productive, professional organization. While FY 2025 obligations were below initial projections, LEI remains committed to executing future funding allocations as planned.

7.b Assertions

I assert that the obligations reported by the Forest Service's Strategic Planning and Accountability unit are the actual obligations from the FMMI, the Forest Service's accounting system of record for the LEI decision unit.

Budget



Law Enforcement Agency Support

The Budget request reflects level funding and allows LEI to continue focusing on the highest-priority projects and sustain patrol coverage in high-use areas. While prior-year funding levels sustain core capabilities, additional investments would further enhance support for Office of National Drug Control Policy initiatives and state and county law enforcement agreements. These activities are essential to supporting rural America and ensuring timely responses to law enforcement threats on NFS lands.

The Forest Service LEI program is responsible for enforcing federal laws on NFS lands and addressing criminal activity that threatens public safety and natural resources. As the only authorized federal law enforcement entity to enforce federal laws related to NFS lands, LEI delivers specialized investigative capabilities that directly support the disruption of drug trafficking, production, and associated criminal activity.

The Forest Service conducts drug enforcement activities to mitigate threats posed by drug trafficking and illicit drug production on NFS lands, while ensuring the safety of public visitors. LEOs carry out critical enforcement and investigative operations to address related criminal activities, including drug and alcohol violations, theft, assault, unauthorized motorized vehicle use, illegal occupancy and trespass, and wildfire arson.

LEI accomplishes its mission by detecting, investigating, eradicating, and targeting enforcement measures that provide the greatest impact based on resource availability. Since Transnational Criminal Organizations carries out the majority of marijuana cultivation on NFS lands, LEI partners with other Federal, State, and local cooperators to investigate, disrupt, and dismantle these organizations. LEI continues to partner with the U.S. Department of Justice through local U.S. Attorney's Offices to coordinate and support prosecutorial efforts.

Additionally, LEI continues to partner with the Office of National Drug Control Policy and various High Intensity Drug Trafficking Area programs to efficiently combat illicit drug production on NFS lands. The Forest Service also continues to work with our federal partners to reduce cross-border smuggling activities on NFS lands to ensure the safety and security of the visiting public and employees on those lands contiguous with the international border.

7.b.1 Obligations by Budget Decision Unit:

I assert, based on a review of the data submitted in this report, that obligations reported by the budget decision unit are the actual obligations and expenditures depicted in the table on page three. The obligations are consistent with the approved drug methodology on budget formulation and represent best estimates of planned and actual expenditures.

7.b.2 Drug Methodology:

I assert that the approved methodology utilized to create this report is reasonable and assert that it is accurate based on the following:

- a) **Data:** I assert that the Forest Service relies on the most accurate and comprehensive statistical data from two systems: the legacy Law Enforcement Investigation Management Attainment Reporting System (LEIMARS) and the new Law Enforcement Investigations Reporting System (LEIRS). These systems are verified and updated regularly to ensure data quality and integrity. To track and monitor the execution of ONDCP efforts, the Forest Service also uses the FMMI, which works in tandem with LEIMARS and LEIRS. The FMMI Reports Dashboard provides a clear and timely overview of the obligations and expenditures for each activity.

Data derived from these systems along with field reporting is utilized to assess and distribute law enforcement resources as efficiently as is practical. Law enforcement activity, including drug control and enforcement, is a constantly evolving situation requiring significant flexibility.

- b) **Financial Systems:** I assert that LEI tracks accurate expenditures and assert that the appropriations and expenditures reflected in the table are accurate based on LEI's review and availability of resources. The FMMI Detailed Transaction report as referenced in the attached document supplies reliable current data. The sourced data provides the ability to track, monitor and execute obligations/expenditures associated with ONDCP efforts such as site assessment, site reclamation, aviation, Drug Enforcement Training Program, Medical Monitoring Contract, Travel, Base Annual Pay etc.

The expenditures represented in the tables are consistent with the approved drug methodology.

7.b.3 Application of Drug Methodology: I assert that the drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1). Calculations have been sufficiently well-documented and can be reproduced within the Forest Service LEI unit.

7.b.4 Material Weakness or Other Findings: I assert that there were not any material weaknesses or other findings. The Forest Service annual audit assurance review did not uncover any material weaknesses or findings in agency financial or reporting systems.

7.b.5 Methodology Modifications:

I assert that LEI did not make any modifications to methodology for reporting drug control resources from the previous year's reporting.

7.b.6 Reprogramming or Transfers:

I assert that there were not any reprogramming or transfers made.

7.b.7 Fund Control Notices:

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

8. Inspector General Authentication

8.d Unreasonable Burden Exception:

- (1) Unreasonable Burden Attestation:** The Forest Service is included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may submit Alternative Budget Formulation Compliance, Detailed Accounting, and Performance Summary reports. Due to the Forest Service's total allocation of \$11 million, a more in-depth analysis beyond this document creates an unreasonable burden and the Forest Service submits this alternate report, analysis, and attached waiver.
- (2)** Reports submitted with the exemption allowed under Section 8.d. and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d) unless ONDCP notifies the Forest Service that it must meet the full reporting requirements of this Circular

TRACY
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TRACY PERRY

Date: 2026.03.05
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Tracy Perry
Director
U.S. Forest Service
Law Enforcement and Investigations

_____ Date



AmeriCorps

ONDCP AmeriCorps Compliance Review

February 28, 2026



6.a. Summer Budget Formulation Information

6.a.(1) Summer Drug Budget Transmittal

AmeriCorps did not submit an FY 2027 summer drug budget to the Office of National Drug Control Policy (ONDCP).

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

AmeriCorps did not submit an FY 2027 summer drug budget to the ONDCP.

6.b. Assertions

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

I assert that AmeriCorps was not required to submit a summer drug control budget to ONDCP for this reporting period.

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

I assert that AmeriCorps was not required to submit a summer drug control budget to ONDCP for this reporting period.

7.Detailed Accounting Report

7.a. Drug Control Funding Obligations

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

The below table displays AmeriCorps' actual investment for FY 2025.

AmeriCorps Drug Resources by Decision Unit and Function (\$ in millions)		
	FY 2025 Obligations ¹	FY 2025 BA Final ²
AmeriCorps State & National ³⁴		
Prevention	3.925	8.240
Treatment ⁵	2.713	5.695
Recovery	3.137	6.588
Total, AmeriCorps State & National	9.775	20.523
AmeriCorps Seniors (Seniors Corps)		
Prevention	0.327	0.241
Total, AmeriCorps Seniors	0.327	0.241

¹The funding reported here represents federal grant and program dollars associated with projects in which some or all of their national service participants are explicitly focused on opioid or substance use activities.

² Resources reflect AmeriCorps federal grant and project awarded funding for opioid and substance prevention, treatment, and recovery activities through AmeriCorps programs, not a line-item appropriation. Amounts do not include Segal AmeriCorps Education Awards for AmeriCorps members who complete service or the match funding and in-kind donations made by non-AmeriCorps sources to support national service programs engaged in drug control activities.

³ The FY 2025 distribution by function is an estimate generated using the percent of AmeriCorps' investment allocated to each function in FY 2020 (FY 2022, in the case of Public Health AmeriCorps). AmeriCorps will conduct the time-intensive, manual review of applications, performance measures, and VISTA assignment descriptions every 5 years to generate the investment by function. In interim years, we will apply the percentage distribution from the most recent manual review to estimate our investment.

⁴ Some projects conduct activities across multiple functions (treatment and recovery, for example); where multiple functions appeared to be of equal importance for the project, federal funding was split evenly among them. Otherwise, funding was allocated to the function that appeared to be the primary focus of the project.

⁵ Activities included under Treatment are primarily activities that expand access to drug treatment, not treatment itself, including providing screenings and referrals to treatment and recovery services, raising awareness about treatment availability, raising funds for organizations offering treatment, connecting individuals with addiction to services, and assessing treatment needs of underserved areas in order to develop more treatment options.

AmeriCorps VISTA		
Prevention	1.011	1.698
Treatment	0.357	0.601
Recovery	0.266	0.445
State & Local and Tribal Law Enforcement Assistance	0.061	0.102
Total, AmeriCorps VISTA	1.695	2.846
Public Health AmeriCorps		
Prevention	0	0
Treatment	0	0
Recovery	0	0
Total, Public Health AmeriCorps	0	0
Total	11.797	23.610

7.a.(2) Drug Methodology

AmeriCorps tracks data on opioids and substance use disorder services by reviewing funding priority selections, grant program objectives, and national service activities. The funding reported here represents federal grant and program dollars associated with projects in which some or all of their national service participants are explicitly focused on opioid or substance use disorder activities. Amounts do not include Segal AmeriCorps Education Awards for AmeriCorps members who complete a term of national service, or the matching funds and in-kind donations made by corporations, foundations, and other local entities to support national service programs.

AmeriCorps State & National

For AmeriCorps State and National, FY 2025 funding includes projects for which some or all AmeriCorps members are explicitly focused on opioid or substance use activities. Dollar figures include full federal funding for projects focused on opioids and substance use activities and pro-rated federal funding amounts for projects in which a subset of members is focused on drug activities.

The AmeriCorps State and National opioid funding includes the total federal dollars awarded to the following AmeriCorps State and National grantees:

1. Awarded grantees or subgrantees for which AmeriCorps reviewers marked an opioid or substance use disorder related funding priority area in their first award year, and who continue to carry out opioid programming in the current fiscal year. This could include competitive grantees/subgrantees and some subgrantees who were originally reviewed for competitive consideration.
2. Awarded formula subgrantees (other than those originally reviewed for competitive consideration) who self-select an opioid or substance use disorder related funding priority area (which they are instructed to do if this priority is a significant part of the proposed program) AND have the following characteristic:
 - a. designated an opioid intervention as their primary service activity

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

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

AmeriCorps VISTA

For AmeriCorps VISTA, the investment was estimated from FY 2025 AmeriCorps VISTA terms focused partially or entirely on opioid-related activities. Terms were included in

the investment if their associated VISTA Assignment Descriptions (VADs) contain opioid key words in their title, site name, project goals and objectives, and/or activity description. Because we did not do the full manual review of VADs this year, we used the percentage distribution of our investment by function from the most recent manual review (FY 2020) to estimate the distribution of investment by function for FY 2025. Next year we anticipate doing an updated manual review of VADs to determine an updated distribution of the investment by function for the VISTA program.

AmeriCorps Seniors

For AmeriCorps Seniors, FY 2025 project performance measures were queried to identify those that have volunteer activities explicitly focused on opioid/drug intervention. The full AmeriCorps investment is reported to ONDCP for projects fully focused on opioids/drug intervention activities, and pro-rated investments are reported for projects with a partial focus on opioid/drug intervention. In each case, the investment is calculated in two steps. First, we determined the percent of each project's unduplicated Volunteer Service Years (VSYs) or volunteers associated with performance measures that contain the "opioid/drug intervention" service activity. Next, that value is multiplied against the project's total awarded federal funding to get the portion of the investment associated with opioid/drug intervention activities. VSYs are used for the AmeriCorps Seniors Foster Grandparent and Senior Companion programs. Volunteers are used for the AmeriCorps Seniors RSVP program.

Because we did not complete a full manual review of applications and performance measures for AmeriCorps Seniors in FY 2025, we calculated the breakout of AmeriCorps Seniors' FY 2025 investment by function using the percentage distribution from the most recent manual review (FY 2020). Next year we anticipate doing an updated manual review of opioid-related performance measures to determine an updated distribution of the investment by function for the Seniors program.

Public Health AmeriCorps (PHA)

Public Health AmeriCorps (PHA) activities concluded at the end of FY 2024, and the program was formally closed in FY 2025.

7.a.(3) Methodology Modifications

AmeriCorps State & National

Previous methodology descriptions for AmeriCorps State & National (ASN) included a step to incorporate funding for projects associated with FY 2020 and FY 2021 opioid funding priorities. The three-year awards associated with these specific funding priorities ended in FY 2025 and therefore do not appear in FY2025 results. As a result, in ASN's methodology above, we updated the language by eliminating reference to specific

older fiscal years. This does not constitute a change in methodology since we will continue to assess each year whether an opioid funding priority is present and incorporate associated investments as in the past. We will also continue to incorporate investments from ASN projects that select the “opioid/drug intervention” intervention in their performance measures.

AmeriCorps VISTA

No changes were made to the AmeriCorps VISTA methodology.

AmeriCorps Seniors

No changes were made to the AmeriCorps Seniors methodology.

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

AmeriCorps is not aware of any specific material weakness that would directly affect the agency’s accounting for drug control funds in FY 2025.

7.a.(5) Reprogrammings or Transfers

AmeriCorps did not have any reprogrammings or transfers to report in FY 2025.

7.a.(6) Other Disclosures

No other disclosures.

7.b. Assertions

7.b.(1) Obligations by Budget Decision Unit

AmeriCorps asserts that obligations reported by budget decision unit are the actual obligations derived from the bureau’s financial reports and are consistent with the application of the above methodology, as required by ONDCP Circular: Budget Formulation, Section 7, for calculating drug control funding against the bureau’s accounting system of record for these Budget Decision Units.

7.b.(2) Drug Methodology

AmeriCorps asserts that the drug methodology used to calculate obligations of prior year budgetary resources by decision unit and by function is based on reporting of drug-related activities in actual grant awards as described in the methodology and that this approach is reasonable and accurate.

7.b.(2) a) Data

AmeriCorps asserts that the methodology used to calculate the drug control investment is based on reliable data, where the data’s availability, timeliness, and relevance were considered.

7.b.(2) b) Financial Systems

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

7.b.(3) Application of Drug Methodology

I assert that the methodology described in Section 7.a.(2) is the actual methodology used to generate the table in 7.a.(1).

7.b.(4) Material Weaknesses or Other findings

I assert AmeriCorps is not aware of any specific material weakness that would directly affect the agency's accounting for drug control funds in FY 2025.

7.b.(5) Methodology Modifications

I assert that there were no modifications made to the methodology for reporting drug control resources in FY 2025.

7.b.(6) Reprogramming or Transfers

I assert that AmeriCorps had no reprogrammings or transfers in FY 2025 that exceeded \$5 million or 10 percent of any program included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

7.b.(7) Fund Control Notices

I assert that AmeriCorps was not subject to any fund control notices issued by ONDCP in FY 2025.

8. Inspector General Authentication

AmeriCorps had a drug-related investment of less than \$50 million in FY 2025. We are requesting an exemption from the Inspector General Authentication review, as it would constitute an unreasonable reporting burden.

3/2/2026

X Daniel Kim

Daniel Kim
Budget Director
Signed by: DANIEL KIM

March 2, 2026

Scott Chronister
Acting Assistant Director
Office of Performance and Budget
Office of National Drug Control Policy
Washington, DC 20500

Mr. Chronister,

AmeriCorps requests an exemption under the ONDCP Circular: National Drug Compliance Control Program Agency Compliance Review dated September 9, 2021. Under Section 8 (d) of this Circular, the Unreasonable Burden Exception states that “An agency or bureau in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may request an exemption from the Inspector General Authentication review required by Section 8.” During the FY 2025 OIG review, AmeriCorps’ reported drug-related actual obligations of \$11.797 million, which is below the \$50 million threshold for exemption

AmeriCorps understands that it will still be required to report under Section 6 and 7 of the Circular, as well as provide budget formulation information to ONDCP.

Should you have any questions or concerns, please contact Daniel Kim at 202-925-6010 or Dkim@AmeriCorps.gov.

Regards,

Daniel Kim

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Daniel Kim
Budget Director
AmeriCorps



Appalachian
Regional
Commission

Appalachian Regional Commission Detailed Accounting Report

A. Drug Control Funding Obligations –

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

	Budget Authority (in Millions)	
	FY 2025	FY 2025
	Enacted	Obligations
Drug Resources by Decision Unit		
Salaries and Expenses	\$12.00	\$12.00
Total Drug Resources by Decision Unit	\$12.00	\$12.00

2. Drug Methodology - The Appalachian Regional Commission reports all activities funded through the Investments Supporting Partnerships In Recovery Ecosystems (INSPIRE) program to ONDCP. ARC's grants management system, Pathways, delineates funding by program and fund source, which is used to run detailed reports on grant obligations.
3. Methodology Modifications – N/A
4. Material Weaknesses or Other Findings – N/A
5. Reprogrammings or Transfers – N/A
6. Other Disclosures - N/A

B. Assertions

1. Drug Control Funding Obligations – The Appalachian Regional Commission asserts that obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record for these Budget Decision Units or are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7, for calculating drug control funding against the bureau's accounting system of record for these Budget Decision Units.
2. Drug Methodology - The Appalachian Regional Commission asserts that the methodology is based on reliable data and that Pathways yields data that aggregates the obligations presented in the Table of Prior Year Obligations.
3. Application of Drug Methodology – The Appalachian Regional Commission asserts that the drug methodology ONDCP Circular: National Drug Control Program Agency Compliance Reviews 5 disclosed Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1).

4. **Material Weaknesses or Other Findings** - The Appalachian Regional Commission asserts that all material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.
5. **Methodology Modifications** - The Appalachian Regional Commission asserts that no modifications were made to methodology for reporting drug control resources from the previous year's reporting.
6. **Reprogrammings or Transfers** - The Appalachian Regional Commission asserts that the data presented are associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).
7. **Fund Control Notices** - The Appalachian Regional Commission asserts that the data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.

Signed by: Matthew H. Levin

Title: Director of Finance

Date: 04/15/26

Matthew
H. Levin

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Date: 2026.04.15
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ARC Budget Formulation Compliance Report

Summer Budget Formulation Information

(1) Summer Drug Budget Transmittal

The Appalachian Regional Commission (ARC) submitted the FY 2027 Summer Budget to the Office of National Drug Control Policy on 9/8/2025.

(2) Summer Drug Budget Resource Summary Table

See attached summer budget submitted to ONDCP on 9/8/2025.

Assertions

(1) Timeliness of Summer Budget Submission

The Appalachian Regional Commission affirms that the report was submitted at the same time as the budget request.

(2) Funding Levels Represent Bureau-Level Request

The Appalachian Regional Commission also affirms that the funding request in the submission provided for Section 6.a.(2) of the ONDCP Agency Compliance Reviews Circular represent the funding levels in the budget submission made by ARC without alteration or adjustment by any official at the ARC.

Inspector General Authentication

Unreasonable Burden Exception

Since the Appalachian Regional Commission is included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million, the Appalachian Regional Commission requests an exemption from the Inspector General Authentication review required by Section 8 of the ONDCP Agency Compliance Reviews Circular.

Resource Summary

	Budget Authority (in Millions)	
	FY 2025 Enacted	FY 2025 Obligations
Drug Resources by Decision Unit		
Salaries and Expenses	\$12.00	\$12.00
Total Drug Resources by Decision Unit	\$12.00	\$12.00

FY 2027 National Drug Control Funding

Resource Summary

	Budget Authority (in Millions)		
	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Request
Drug Resources by Function			
Recovery	\$12.00	\$0.00	
Total Drug Resources by Function	\$12.00	\$0.00	
Drug Resources by Decision Unit			
INSPIRE Initiative (S&E)	\$12.00	\$0.00	
Total Drug Resources by Decision Unit	\$12.00	\$0.00	
Drug Resources Personnel Summary			
Total FTEs (direct only)	1	1	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$0.200	\$0.014	
Drug Resources Percentage	6.0%	0.0%	

Program Summary

MISSION

The INSPIRE Initiative aims to address the SUD crisis across Appalachia by creating or expanding a recovery ecosystem that will lead to workforce entry or re-entry. INSPIRE grants invest in both sides of Appalachia's workforce ecosystem – the education and training needed to get Appalachians on the job, and the support services to help them remain on financially sustaining career pathways and contributing to the Region's growth and improvements in health.

METHODOLOGY

Costs that are scored as drug-related include those associated with any INSPIRE grant/project activities that are exclusively focused on the SUD Recovery to Work ecosystem. As defined by ARC, this ecosystem is a complex linkage of multiple sectors, including but not limited to recovery communities, peer support, health and human services, faith communities, criminal justice, public safety, housing, transportation, education, and employers – with the goal of the recovery ecosystem being to help individuals in recovery access the support services and training they need to maintain recovery and successfully obtain sustainable employment.

The INSPIRE initiative funding levels are evaluated and allocated based on the needs and capacity of Appalachia, this includes overdose and workforce data specific to the region, coupled with application feedback as described in each applicant's application to ARC for SUD recovery to work funding.

BUDGET SUMMARY



SUPPORT FOR DRUG CONTROL FUNDING PRIORITIES:

FY 2027 Funding Guidance Letter Priorities	Agency Response Was the Guidance Addressed? (Addressed/Partially Addressed/Not Addressed)
Reduce the Number of Overdose Fatalities, with a Focus on Fentanyl Objective: Decrease the number of drug overdose deaths nationwide.	Using a multi-pronged approach, ARC supports innovative efforts to establish community-based recovery ecosystems to save lives and strengthen the Region. The Investments Supporting Partnerships In Recovery Ecosystems (INSPIRE) is an initiative addressing the SUD crisis by creating or expanding a recovery ecosystem that will lead to workforce entry or re-entry. Several INSPIRE grants have included components to educate and train recovery-friendly employers on the use of the overdose reversal drug, Naloxone.
Secure Global Supply Chain Against Drug Trafficking Objective: Decrease the global movement of illicit drugs, including precursor and related chemicals, through all shipping modalities.	In the national effort to confront the drug crisis, INSPIRE supports the <u>post-treatment to employment continuum</u>. The INSPIRE Initiative is designed to connect those in recovery with long-term recovery solutions and reenter the workforce and community.
Prevent Drug Use Before It Starts Objective: Reduce the initiation of drug use, particularly among young people.	While the INSPIRE Initiative's primary priority is to support those in recovery to workforce entry or re-entry, many INSPIRE grants include drug-use prevention components.
Provide Treatment That Leads to Long-Term Recovery Objective: Increase the number of individuals receiving evidence-based treatment and achieving long-term recovery from addiction and substance use disorders.	The INSPIRE initiative is designed to build or expand access to recovery-friendly workplaces across Appalachia through workforce training and job placement for those in SUD recovery. Since 2021, \$54.4 million has been invested in 360 counties across all 13 Appalachian states for recovery to work programs, bringing employers, chambers of commerce, recovery professionals, faith-based entities, the justice system, local economic development agencies, and many more, to the table to reduce SUD stigma and adopt effective HR policies that further promote a recovery-friendly ready workforce in Appalachia. According to a program evaluation conducted in FY2022, 74% of INSPIRE implementation grants provided

	wraparound services to individuals in recovery.
Innovate in Research and Data to Support Drug Control Strategies Objective: Obtain and apply high-integrity data to address the crisis.	In FY2022, Eastern Tennessee State University conducted a comprehensive program evaluation of INSPIRE . A key component of their analysis was a list of 24 counties that 1) had not been served by INSPIRE in previous grant cycles and 2) demonstrated high overdose rates and low access to SUD services. Using this data, ARC specifically targeted marketing efforts to the county health departments and relevant nonprofits.

**Matthew
H. Levin**

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Matthew H. Levin
CFO and Director of Finance
Appalachian Regional Commission

March 8, 2026



March 11, 2026

Sara Carter
Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Ms. Carter:

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

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

The purpose of this report is to present CSP and PSA assertions concerning FY 2025 drug resource budgeting, accounting and my qualified authentication of these assertions. CSOSA does not have an Inspector General (IG) component or function to review and express a conclusion on this report's reliability of the accounting and performance assertions. Therefore, CSOSA requests a waiver for the IG authentication requirements outlined in the Circular.

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

Sincerely,

MARCUS
HODGES

Marcus Hodges
Interim Director

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Enclosures

CSOSA Community Supervision Program Detailed Accounting Report: dated
March 11, 2026

CSOSA Pretrial Services Agency for the District of Columbia ONDCP
Compliance Review: dated March 11, 2026

March 11, 2026

Sara Carter
Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Ms. Carter:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, this document is the Detailed Accounting Report for the Court Services and Offender Supervision Agency's (CSOSA's) Community Supervision Program (CSP). CSP is one of two programs (Decision Units) within the CSOSA appropriation.

Budget Formulation Compliance Report

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

Detailed Accounting Report

Drug Control Obligations by Decision Unit and Function:

I assert that FY 2025 drug budget authority and actual obligations reported below are derived from actual obligations from CSP's accounting system of record (Oracle Federal Financials) and consistent with the drug budget methodology discussed below.

FY 2025 Drug Budget Summary

	Budget (in Millions)	
	FY 2025 Obligations	FY 2025 BA
Community Supervision Program		
Prevention	\$8.167	\$8.250
Treatment: Recovery	\$33.698	\$33.850
TOTAL	\$41.865	\$42.100

Drug Control Methodology:

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

CSP allocates appropriated resources to each of the four (4) Strategic Goals contained in the Agency's FY 2022-2026 Strategic Plan. Resources are allocated using actual and planned obligations posted to specific accounting parameters in the Agency's financial management system, Oracle Federal Financials. Resources are allocated to each Strategic Goal using a cost allocation methodology including both direct (e.g., direct staff, direct contracts) and indirect (e.g., rent, management) methods. Indirect resources are allocated based on direct labor.

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

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

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

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

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

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

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

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

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

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

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

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

Rationale:

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

I assert that the drug methodology, financial systems and data used to calculate obligations of prior year (FY 2024) Drug Budget resources by function were reasonable and accurate in accordance with Section 7 of the ONCDP Circular: Budget Formulation. I also assert that the above methodology was actually applied to actual financial data from the Agency's financial system.

Material Weaknesses and Other Findings:

CSOSA received an “unmodified” (clean) opinion on our FY 2025 financial statements by our independent auditing firm Brown and Company dated November 15, 2025. The independent auditor identified no material control weaknesses or significant control deficiencies as part of the FY 2025 audit of CSOSA appropriation.

Re-programmings or Transfers:

CSOSA operated on full-year Continuing Resolution in FY 2025.

CSOSA's FY 2024 Enacted (P.L. 118-47 dated 3/23/2024) Section 803 contains re-programming criteria and thresholds:

SEC. 803. (a) None of the Federal funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2024, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditures for an agency through a reprogramming of funds which— (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased under this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) re-establishes any program or project previously deferred through reprogramming; (6) augments any existing program, project, or responsibility center through a reprogramming of funds in excess of \$3,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project or responsibility center, unless prior approval is received from the Committees on Appropriations of the House of Representatives and the Senate.

In FY 2025 there were no CSP re-programmings or transfers that met or exceeded controls contained in FY 2024 Enacted or affected ONDCP Prevention or Treatment resources.

Fund Control Notices:

CSOSA did not receive a Funds Control Notice from the ONDCP Director for FY 2025 appropriated resources.

Please let me know if you need additional information.

Sincerely,

**PAUL
GIRARDO**

Paul Girardo
Chief Financial Officer

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PRETRIAL SERVICES AGENCY for the DISTRICT OF COLUMBIA

OFFICE OF FINANCE AND ADMINISTRATION

March 11, 2026

Sara Carter
Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Subject: FY 2025 ONDCP Compliance Reviews

Dear Ms. Carter:

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, please see the following assertions regarding the annual accounting of drug control resources and the Budget Formulation Report for the Pretrial Services Agency for the District of Columbia (PSA) for fiscal year 2025. PSA is one of two programs (Decision Units) within the CSOSA appropriation. Full compliance with this Circular constitutes an unreasonable reporting burden for PSA.

1. Detailed Accounting Report

Drug Control Funding Obligations

The CSOSA appropriation does not have specific line items or programs for drug control activities. PSA's drug testing and treatment support activities correlate with ONDCP's Prevention and Treatment functions, respectively. The following table highlights the FY 2025 drug control budgetary resources by drug control function.

FY 2025 Drug Budget Summary (FY 2025 Resources)

	FY 2025 Final (\$M)
Pretrial Services Agency	
Prevention	\$17.34
Treatment	\$9.22
SUB-TOTAL	\$26.56

Drug Control Methodology

Through regular drug testing, assessment, treatment placement, incentivizing defendants to participate in treatment, and addressing noncompliance with graduated sanctions, PSA expects to have a positive impact on the ONDCP Strategy goals and objectives related to reducing illicit substance use (Goal 1) and increasing treatment efforts (Goal 4).

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

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

The major cost elements for the drug testing program include labor expenses, recurring expenses for reagents and other laboratory supplies and materials, facility lease expenses 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. PSA established five substance use-related performance indicators for its FY22 - 26 Strategic Plan to monitor Agency efforts in support of the ONDCP objectives. Progress on these measures and implementation of process improvements (as needed) positively impact the goals and objectives of ONDCP's Strategy. PSA drug control resources are allocated based on percentage of time spent performing activities associated with the following Strategic Goal Performance Indicators.

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

Strategic Objective 3.2.1: Substance Use Disorder (SUD) Assessments

Strategic Objective 3.2.2: Placement into Substance Use Disorder (SUD) Treatment

Strategic Objective 3.2.3: Reduction in Drug Use

Strategic Objective 3.2.4: Mental Health Assessments

Strategic Objective 3.2.5: Connection to Mental Health Services

Through regular drug testing, assessment, treatment placement, incentivizing defendants to participate in treatment, and addressing noncompliance with graduated sanctions, PSA expects to have a positive impact on the ONDCP Strategy goals and objectives related to reducing illicit substance use (Goal 1) and increasing treatment efforts (Goal 4). PSA is finalizing the FY26 - FY30 Strategic Plan which will be used to develop the FY 2028 budget.

Material Weakness

CSOSA (PSA/CSP) received an "unmodified" (clean) opinion on our FY 2025 financial statements by our independent auditing firm Brown & Company dated November 1, 2025. The

independent auditor identified no material control weaknesses or significant control deficiencies as part of the FY 2025 audit of the CSOSA appropriation.

Assertions

I assert that FY 2025 drug budget obligations reported by PSA to ONDCP are derived from actual obligations from PSA's accounting system of record (Oracle Federal Financials), consistent with the drug budget methodology discussed above and in accordance with Section 7 of the ONCDP Circular. Additionally, the drug methodology, financial systems and data used to calculate obligations of prior year (FY 2025) Drug Budget resources by function were reasonable and accurate. I also assert that the above methodology was applied to actual financial data from the Agency's financial system.

2. Budget Formulation Information

PSA does not typically develop or submit an ONDCP summer drug budget.

PSA Fall Drug Budget Request (dated September 4, 2025)

	Budget Authority (in Millions)		
	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request
Prevention	\$17.34	\$18.85	
Treatment: Recovery	\$9.22	\$10.43	
SUB-TOTAL	\$26.56	\$29.28	

Assertions

I assert that drug budget obligations reported by PSA in the fall drug budget submitted to ONDCP on September 9, 2025, are derived from actual obligations from PSA's accounting system of record (Oracle Federal Financials) Further, I assert that the fall drug budget resources reported to ONDCP correspond to resources reported to OMB as part of PSA's FY 2026 budget request on September 4, 2025.

If you have any questions concerning this report, please contact me at denise.petrusic@psa.gov or (202)893-2120.

Sincerely,

DENISE
PETRUSIC

Denise Petrusic

Deputy Assistant Director, Finance and
Administration

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

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

THROUGH: DARRELL LANDREUX
Deputy Assistant Secretary of War
Health Resource Management & Policy (HRM&P)
Department of War (Health Affairs)

FROM: MICHAEL R. EMERSON
Assistant Director
Resource & Personnel Integration (AD R&PI)

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

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

OBLIGATIONS BY BUDGET DECISION UNIT

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

DRUG METHODOLOGY

I assert that the drug methodology used to calculate obligations of resources was reasonable and accurate in accordance with the criteria listed in Section 7b(2) of the Circular: National Drug Control Agency Compliance Review.

APPLICATION OF DRUG METHODOLOGY

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

MATERIAL WEAKNESS OR OTHER FINDINGS

I assert no known material weakness or other findings were found in collection of FY 2025 obligations data.

METHODOLOGY MODIFICATIONS

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

REPROGRAMMING OR TRANSFERS

I assert DHP had no reportable reprogramming or transfer in FY 2025 related to drug-control obligations.

Fund Control Notices

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

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MICHAEL R. EMERSON
Assistant Director
Resource & Personnel Integration (AD R&PI)

Attachments: FY 2025 Detailed Accounting Report, National Drug Control Activities, Defense Health Agency

FY 2025 Detailed Accounting Report, National Drug Control Activities, Defense Health Agency

OBLIGATIONS TABLE

Budget Authority (in Millions)		
	FY 2025 Enacted	FY 2025 Obligated
Drug Resources by Function		
Treatment: Recovery ¹	\$75.225	\$65.368
Treatment: Other than Recovery ¹	\$2.494	\$2.395
Research and Development: Prevention ²	\$0.000	\$3.867
Research and Development: Treatment ²	\$2.230	\$2.244
Total Drug Resources by Function	\$79.949	\$73.874
Drug Resources by Decision Unit		
DHP Treatment and Research and Development	\$79.949	\$73.874
Total Drug Resources by Decision Unit	\$79.949	\$73.874
Drug Resources Personnel Summary		
Total FTEs (direct only)	0	0
Drug Resources as a Percent of Budget		
Total Agency Budget (in Millions) ³	\$40,371.60	\$39,847.37
Drug Resources Percentage	0.20%	0.19%

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

² Research and Development Funds are multi-year appropriation; FY 2025 Enactment has Period of Availability for FY25/26 with \$0.142M obligated by 30 Sept 2025. Additionally, \$5.969M of FY24/25 funds obligated during FY 2025.

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

METHODOLOGY

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

PHARMACY. The Pharmacy Data Transaction System (PDTs) data embedded in the MDR served as the data source for the pharmacy cost component. The absence of ICD-10 drug abuse treatment specific pharmaceutical codes complicates the identification of this cost within the available pharmacy data. To address this complication, the costs of pharmaceuticals are specifically associated with and

prescribed for drug abuse treatment. The DHA compiled the list of drug abuse treatment specific pharmaceuticals (National Drug Control (NDC) Number) based on a review of public, private, and federal literature related to drug abuse treatment. The list includes medications approved by FDA for drug abuse treatment.

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

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

METHODOLOGY MODIFICATION

None

MATERIAL WEAKNESS OR OTHER FINDINGS

None

REPROGRAMMING OR TRANSFERS

None

OTHER DISCLOSURES

None

DEPARTMENT OF WAR

Office of the Secretary of War

Resource Summary

	Budget Authority (in Millions)		
	FY 2025 Final	FY 2026 Enacted	FY 2027 Request
Drug Resources by Function			
Intelligence	\$228.897	\$228.496	
Interdiction (Includes OPTEMPO)	501.096	732.601	
International	29.709	31.640	
Prevention	135.567	134.938	
State and Local Assistance	321.167	335.000	
Total Drug Resources by Function	\$1,216.436	\$1,462.675	
Drug Resources by Decision Unit			
Drug Interdiction and Counterdrug Activities	\$1,110.436	\$1,148.675	
Military Service-Funded Operations Tempo (OPTEMPO)	106.000	314.000	
Total Drug Resources by Decision Unit	\$1,216.436	\$1,462.675	
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,497	1,473	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$849.80	\$1,010.00	
Drug Resources Percentage	0.14%	0.12%	

Program Summary

MISSION

The Office of the Deputy Assistant Secretary of War for Counternarcotics and Global Threats (DASW CNGT) develops the Department of War (DoW) counterdrug (CD) and CTOC policy. It also issues guidance, establishes priorities, and oversees resource allocation and program execution, for DoW CD and CTOC missions. These missions focus on countering illicit drug trafficking, but also include countering illicit financial flows and the illicit trafficking of people, wildlife, natural resources, and weapons. Primary activities include:

- Coordinate and monitor DoW and interagency efforts for the D&M of the maritime and aerial transit of illegal drugs into the United States.
- Direct, oversee, and monitor planning, programming, and budget (formulation, justification, and execution) processes for DoW Drug Interdiction and CD Activities programs, in coordination with other DoW Components.
- Review, evaluate, coordinate, and monitor DoW CD and CTOC plans and programs to ensure adherence to approved policy and standards.
- In conjunction with the Chief, National Guard Bureau coordinate and monitor National Guard support to state drug law enforcement operations and to DoW, as required.

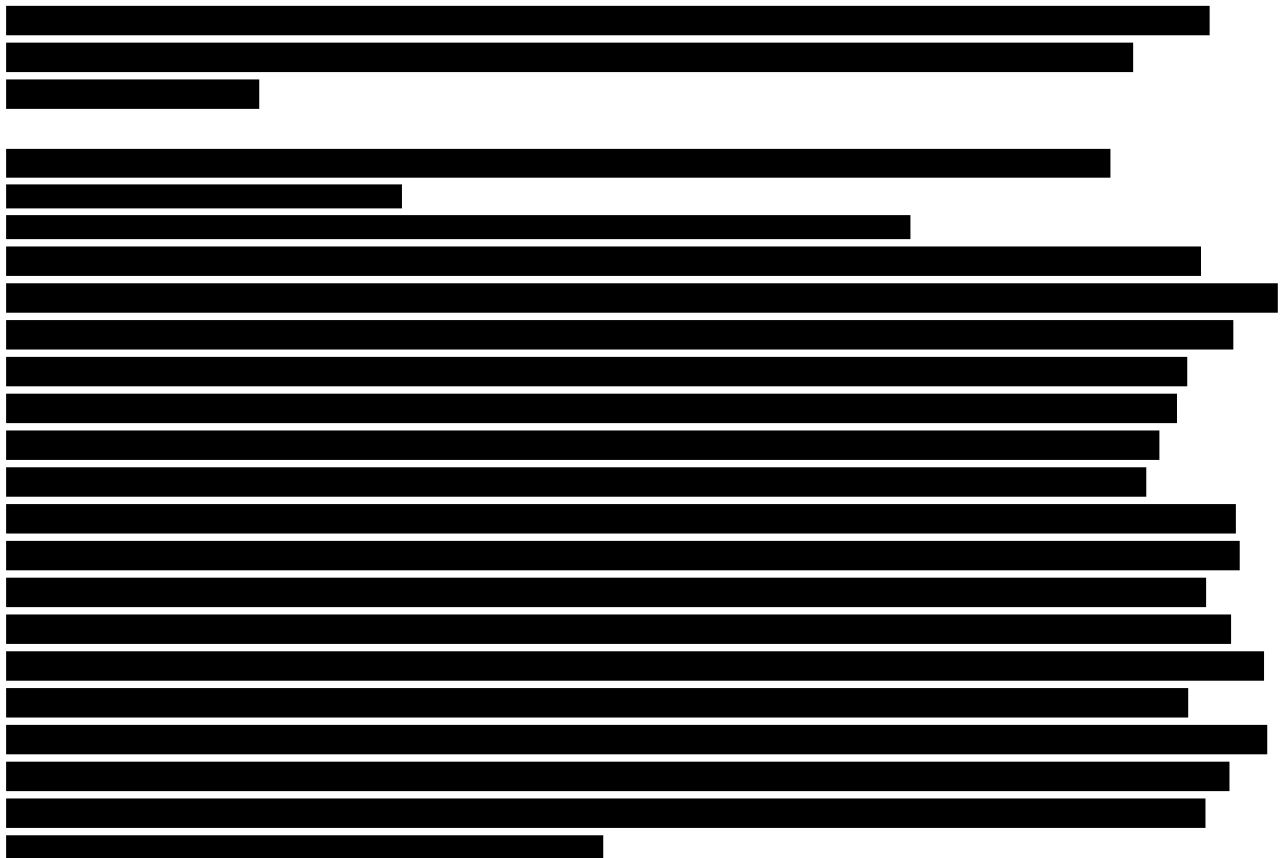
- Develop strategy, policy, plans, and programs pertaining to DoW Counter Threat Finance (CTF) activities, goals and requirements.

METHODOLOGY

The DoW Drug Interdiction and Counterdrug Activities are programmed and budgeted for specific projects, activities and requirements driven by the Combatant Commands' (COCOM) and Interagency's mission. Thereafter, transferred during the FY of execution to the most appropriate Military Service or Defense Agency for implementation. Operational Tempo (OPTEMPO) estimates are computed by the Services to support CD efforts, by either aircraft hours or ship days, and are reported by the Services to DASW CNGT.

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

BUDGET SUMMARY



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Budget Formulation Compliance Report

Summer Budget

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

Timeliness of Summer Budget Submission

DASW assert that the summer drug budget was submitted on March 2026 to ONDCP in response to *ONDCP Circular dated September 09, 2021: Budget Formulation, Section 9.a.(1)* and was provided to ONDCP at the same time as the budget request was submitted to our superiors in accordance with *21 U.S.C. § 1703(c)(1)(A)*.

In accordance with 21 U.S.C. § 1703(c)(1)(A), the Department of War is required to submit a drug control budget to ONDCP. *The ONDCP Circular: Budget Formulation, September 9, 2021, requires submission of a summer drug control budget.* The Department does not have a budget formulation process that allows for summer budget proposals, including major changes to base funding, key funding initiatives, or modifications to the counterdrug account structure. Accordingly, we have asked for relief from the current and future summer budget submissions.

DASW CNGT submits a fall Budget Estimate Submission (BES), final submission submitted March 2026, and a winter Presidents Budget Request (PBR) but not a Summer Budget. The annual Defense counterdrug budget submission coincides with the overall Defense budget submission and is aligned with the Department's Planning, Program, Budgeting and Execution (PPBE) methodology. The mythology used to allocate resources to capabilities necessary to accomplish the Departments' missions. The PPBE timeline is jointly published by the Under Secretary of War, Comptroller and the Director for Cost Assessment and Program Evaluation (CAPE). The timeline clearly defines all Defense Components' requirements for the annual budget estimates in the fall leading to the submission of the President's Budget Request to both Congressional Authorization and Appropriation committees annually on the first week of February.

Funding Levels Represent Bureau-Level Request

As an appropriated agency within the federal government, DASW assert that the funding submission provided in *ONDCP Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, Section 6.a.(2)*, represent the funding levels in the budget submission made by DASW CNGT without alteration or adjustment by any official within the DoW.

Detail Accounting Report

Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

The report shall include a table displaying all drug control budget authority appropriated or otherwise available and obligations against that budget authority for the most recently completed fiscal year. The budget authority and obligations in the table should be displayed at the same level of detail as required in *ONDCP Circular: Budget Execution, Section 6.a.(1)*. For agencies/bureaus with multi-year budget authority, funding levels should be presented by fiscal year for all non-expired (multi-year) budget authority.

Funded Program**\$ in Thousands**

FY 2025 Appropriated		1,557,636
Prior Approval Reprogramming Action		+447,200
FY 2025 Actual		1,338,872

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

Intelligence		144,058
Intelligence: Domestic Law Enforcement	11,503	
Intelligence: Interdiction	115,860	
Intelligence: International	16,695	
Interdiction ¹		752,311
International		13,152
Prevention		124,809
State and Local Assistance		304,542
FY 2025 Total Obligations²		1,338,872

¹ Includes \$4,000 thousand in U.S. Army Corps of Engineers obligations for Southwest Border barrier contract close-out and oversight activities in support of the Department of Homeland Security.

² Represents a 86.0% overall obligation rate based on an adjusted FY 2025 budget of \$1,557,636 thousand.

As of September 30, 2025, obligation rates for individual appropriations were as follows:

- FY 2025 Military Pay: 94.1%
- FY 2025 Operations & Maintenance: 88.3%
- FY 2025 Investments: 19.8%

FY 2025 Drug Resources Civilian Personnel Summary**Authorized Full Time Equivalent Positions**

Counter-Drug Activities	747
Drug Demand Reduction Program	750
TOTAL FTE	1,497

Drug Methodology

The DoW Drug Interdiction and Counterdrug Activities budget is drug-related the reason it is reported as a part of the National Drug Control Budget. The funds are programmed and budgeted for specific projects, activities and requirements driven by the COCOMs' and Interagency' mission.

Thereafter, transferred during the fiscal year of execution to the most appropriate Military Service or Defense Agency for implementation. Operations Tempo (OPTEMPO) estimates are computed by the Services to support CD efforts, by either aircraft hours or ship days, and are reported by the Services to the office of the Deputy Assistant Secretary of Defense for Counternarcotics and Global Threats Policy [DASW (CNGT)].

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

Application of Drug Mythology

DASW assert that the drug methodology disclosed in this report was the actual methodology used to generate the table required by *Section 7.a.(1) of the Circular*. The methodology used to express the financial plan for current year Department of War (DoW) budgetary resources in terms of the drug control functions identified in the National Drug Control Budget. As background, the majority of DoW counterdrug activities are funded from a central transfer appropriation titled *Drug Interdiction and Counterdrug Activities, Defense*. Funds appropriated to CN Central Transfer Account (CTA) are subsequently transferred by DoW to the various Military Departments and Defense Agencies for program execution. As designed, the central transfer account supports centralized oversight and decentralized program management and execution.

Material Weakness or Other Findings

DASW assert that no material weaknesses or other known weakness were identified by independent sources including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by *ONDCP Circular: National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, Section 7.a.(4) of the Circular have been disclosed*.

Methodology Modifications

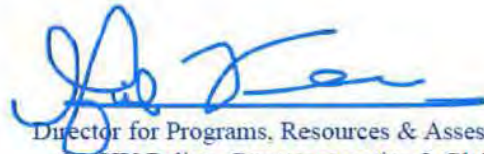
DASW assert that no modifications were made to the methodology for reporting drug control resources from the previous year.

Reprogramming or Transfers

DASW CNGT had one prior approval reprogramming action (FY 25-11 PA) in the amount of \$447,200 thousand to support the Department of Homeland Security detention operations for illegal alien removal through September 30, 2025.

Fund Control Notices

DASW assert that the data presented are associated with obligations against CNGT's operating plan. ONDCP does not issue Fund Control Notices as stated by the *Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.*



Director for Programs, Resources & Assessments
OUSW-Policy, Counternarcotics & Global Threats

DATE: April 24, 2026



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

February 12, 2026

TO: Steven Byrd
Director, Office of Budget Service
Office of Planning, Evaluation and Policy Development

FROM: Keith Cummins /s/
Deputy Assistant Inspector General for Audit

SUBJECT: Office of Inspector General's Authentication of the U.S. Department of Education's
*Detailed Accounting of Fiscal Year 2025 Drug Control Funds and Calendar Year 2025
Budget Formulation Compliance Report*

As provided by 21 U.S.C. § 1704(d)(1), "Not later than February 1 of each year, in accordance with guidance issued by the Director, the head of each National Drug Control Program Agency shall submit to the Director a detailed accounting of all funds expended by the agency for National Drug Control Program activities during the previous fiscal year and shall ensure such detailed accounting is authenticated for the previous year by the Inspector General for such agency prior to the submission to the Director as frequently as determined by the Inspector General but not less frequently than every 3 years." This is to notify you that we have chosen not to authenticate the Department's detailed accounting for fiscal year 2025. Our last review was performed on the Department's detailed accounting for fiscal year 2024.

Office of National Drug Control Policy Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, Section 8b, states that Budget Formulation Compliance Reports shall be reviewed with the same frequency and at the same time as detailed accounting reports. Accordingly, we will not be authenticating the Department's Budget Formulation Compliance Report for calendar year 2025.

If you have any questions, please contact Michele Weaver-Dugan, Director, Internal Operations Oversight Team, at (202) 245-6941 or Michele.Weaver-Dugan@ed.gov.

DEPARTMENT OF EDUCATION



DETAILED ACCOUNTING OF FISCAL YEAR 2025 DRUG CONTROL FUNDS

MARCH 19, 2026

DEPARTMENT OF EDUCATION
DETAILED ACCOUNTING OF FISCAL YEAR 2025 DRUG CONTROL FUNDS

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TABLE OF PRIOR-YEAR DRUG CONTROL OBLIGATIONS

	Fiscal Year 2025 Obligations of Fiscal Year 2024 Appropriation (in millions)	Fiscal Year 2025 Obligations of Fiscal Year 2025 Appropriation (in millions)	Total Fiscal Year 2025 Obligations (in millions)
Drug Resources by Function			
Prevention	70.447	8.269	78.717
Drug Resources by Decision Unit (and Program)			
Office of Elementary and Secondary Education			
School Safety National Activities			
<i>Mental Health Grants</i>	67.887	0	67.887
<i>Other Activities</i>	2.500	0	2.500
Subtotal, School Safety National Activities	70.387	0.000	70.387
21 st Century Community Learning Centers	0.060	8.27	8.330
Total Drug Budget Resources by Decision Unit (and Program)	70.447	8.270	78.717

Notes:

Funds being reported were appropriated under a multi-year basis, and thus the agency had the authority to obligate the funds beyond the fiscal year for which they were initially appropriated. This report includes all relevant obligations during fiscal year 2025, which came from funds appropriated for both fiscal years 2024 and 2025. The Department will provide obligations for the remainder of the funds designated as drug control funding appropriated for fiscal year 2025 in next year's report.

The Bipartisan Safer Communities Act (BSCA) authorized \$200 million per year over 5 fiscal years (FY 2022 through FY 2026) for mental health programs for the U.S. Department of Education. The total amount of obligations of FY 2025 BSCA funds under the methodology for scoring grant funds under the mental health programs is \$88.640 million. These funds were from the FY 2024 appropriation; no funds from the FY 2025 BSCA funding for these programs were obligated during FY 2025. For consistency with previous iterations of this and other reports, BSCA funds are excluded from the table and reported as a note.

PROGRAM DESCRIPTION

The mission of the U.S. Department of Education (ED) is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access. ED's current methodology for determining funds for drug control programs includes a portion of the funding for mental health programs funded under SSNA as well as a portion of the funds under the 21st Century Community Learning Centers (CCLC) program. SSNA programs help States and school districts foster a safe, secure, and supportive school and community environment conducive to teaching and learning, including through drug prevention efforts; and facilitate emergency management and preparedness, as well as recovery from traumatic events. Note that, starting with fiscal year 2022, funds for SSNA are appropriated on a multi-year basis. Previously, SSNA funds were appropriated on an annual basis, and were only available for obligation for 12 months within the span of a single fiscal year. Now they are available for obligation for 15 months, starting on October 1 of the fiscal year appropriation and available through December 31st of the following year.

The 21st CCLC programs, a portion of which are part of the methodology for ED drug control programs, support centers that provide additional student learning and enrichment opportunities through before- and after-school programs and summer school programs aimed at improving student academic outcomes. Program funds may be used for a broad range of activities, including drug and violence prevention activities. 21st CCLC funds are also available on a multi-year basis, but for a different time period than SSNA. 21st CCLC funds become available on July 1 of the fiscal year in which they are appropriated, and are available for obligation for 15 months, through September 30 of the following fiscal year.

DISCLOSURES

Drug Methodology

This accounting submission includes obligations of fiscal year 2025 funds under SSNA and 21st CCLC that have been determined to have drug control nexus. The methodology used is as follows:

School Safety National Activities

The current methodology includes in the national drug control budget a portion of the SSNA funding used to support the School-Based Mental Health Services (SBMH) program and the Mental Health Services Professional Demonstration Grants program (MHSPD). SBMH and MHSPD support the recruitment, hiring, and retention of school-based mental health professionals, including school psychologists, as well as increasing the supply of such professionals, at the K-12 level. The Department anticipates that funding for school-based mental health services would support ONDCP's mission by helping address the high prevalence of co-occurring mental health and substance use disorders.

In 2022, after reviewing National Survey on Drug Use and Health data provided by the Substance Abuse and Mental Health Services Agency (SAMHSA) to determine a five-year average percentage of youth aged 12-17 with a past year major depressive episode and co-occurring use of illicit drugs or alcohol, ONDCP proposed, and Education accepted, to include

45.5 percent of the funds for mental health programs under SSNA for the national drug control budget. In addition, the Department will continue to include in the national drug control budget full funding for the technical assistance and dissemination activities that support and improve drug and violence prevention efforts activities that were previously included in the methodology.

Note that starting in fiscal year 2022 SSNA funding is appropriated on a multi-year basis; funds become available on October 1 of the fiscal year and are available for obligation until December 31 of the succeeding year. The obligations of SSNA funds reported in the table on page 1 represent obligations during fiscal year 2025. The table shows amounts obligated from the fiscal year 2024 and 2025 appropriations for the relevant funding, which were the funds for which the Department had authority for obligation during fiscal year 2025.

21st Century Community Learning Centers

The Department also includes in the national drug control budget a portion of the funding used to support the 21st CCLC) program. 21st CCLC programs support centers that provide additional student learning and enrichment opportunities through before- and after-school programs and summer school programs aimed at improving student academic outcomes. Program funds may be used for a broad range of activities, including drug and violence prevention activities.

After reviewing 21st CCLC annual performance report data for the 2020-2021 school year to examine how much time grantees devoted to drug prevention activities, ONDCP proposed, and Education accepted, to include 0.625 percent of the funds for the 21st CCLC program for the national drug control budget.

Note that 21st CCLC funding is appropriated on a multi-year basis; funds become available on July 1 of the fiscal year and are available for obligation until September 30 of the succeeding year. As with the SSNA funds, the table shows amounts obligated from the fiscal year 2024 and 2025 appropriations for the relevant funding, which were the funds for which the Department had authority for obligation during fiscal year 2025.

Obligations by Drug Control Function

All obligations of funds for the School Safety National Activities and 21st Century Community Learning Centers programs shown in the table on page 2 of this report fall under the ONDCP drug control function category of prevention.

Obligations by Budget Decision Unit

All obligations of drug control funds in the table on page 1 of this report are displayed using programs (SSNA and 21st CCLC) as the budget decision units.

Methodology Modifications

There are no modifications to the current methodology.

Material Weaknesses or Other Findings

The Department does not have any material weaknesses or other findings to disclose that affect the presentation of obligations of fiscal year 2025 drug-related funds in this report. Limitations

that affect the presentation of drug-related obligations in this report are explained in the disclosures below.

Reprogrammings or Transfers

There have been no reprogrammings or transfers of fiscal year 2025 drug-related budgetary resources in the Department of Education to date.

Other Disclosures

The Department acknowledges the following limitation in the methodology described above for deriving the obligations of fiscal year 2025 drug control funds attributable to the SSNA and 21st CCLC programs: As described in the Drug Methodology section, funds for both programs are appropriated on a multi-year basis. Consistent with the availability of funds, SSNA and 21st CCLC obligations reported in this document are based on actual obligations incurred during fiscal year 2025, including obligations of funds appropriated for fiscal years 2024 and 2025. The Department will report on the obligation of the balance of funds appropriated for fiscal year 2025 in next year's report (i.e., fiscal year 2026 obligations).

ASSERTIONS

Obligations by Decision Unit

I assert that the obligations of fiscal year 2025 drug control funds shown in this report for the SSNA and 21st CCLC program drug budget decision units are based on actual obligations of fiscal year 2025 funds from the Department's accounting system of record for the SSNA and 21st CCLC programs.

Drug Methodology

I assert that the methodology used to calculate obligations of fiscal year 2025 drug prevention funds presented in this report is reasonable and accurate, because the methodology captures all of the obligations of funds under the SSNA and 21st CCLC programs during fiscal year 2025 that have been mutually agreed to be counted by ED and ONDCP.

Data

I assert that the methodology is based on reliable data. The calculations of drug control funds use readily available, verified financial data that is linked to the SSNA and 21st CCLC programs and the methodology described on pages 2-3 of this report.

Financial Systems

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

Application of Drug Methodology

I assert that the methodology disclosed in the narrative of this report was the actual methodology used to calculate the obligations of fiscal year 2025 drug control funds presented in the table on page 1.

Material Weaknesses or Other Findings

I assert that there are no material weaknesses or other findings by independent sources, or other known weaknesses, that affect the presentation of obligations of fiscal year 2025 drug-related funds in this report. The limitation of the methodology described above for deriving the obligations of fiscal year 2025 drug control funds in this report is disclosed on pages 2-3.

Methodology Modifications

I assert that the methodology previously agreed starting in fiscal year 2024 and subsequent years has not been modified.

Reprogrammings or Transfers

I assert that there have been no reprogrammings or transfers of fiscal year 2025 Department of Education drug control funds to date.

Fund Control Notices

I assert that the Director of ONDCP has never issued to the Department of Education any Fund Control Notices under 21 U.S.C. 1703(f).

Calendar Year 2025 Department of Education's Budget Formulation Compliance Report for Fiscal Year 2027 Budget Request

March 19, 2026

Section 6 of the Office of National Drug Control Policy (ONDCP) Circular National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, instructs that this Compliance Report include (1) information on the Department's summer budget formulation (in this case, for fiscal year 2027); and (2) certifications by the Department's Office of Inspector General (OIG) relating to that summer budget formulation.

More specifically, the ONDCP Circular presupposes the Department engaged in an agency-wide budget formulation process for fiscal year 2027 during the summer of calendar year 2025, and expects the Department to include, in this Compliance Report, (1) a copy of the transmittal letter and resource summary table from the Office of Elementary and Secondary Education's (OESE) fiscal year 2027 budget request for drug control programs submitted to ONDCP in summer 2025; and (2) certification by OIG of both the timeliness of OESE's budget submission to ONDCP and that OESE's submission was not altered or adjusted by any official at the Department.

However, the Department in fact did not carry out an internal budget formulation process for the fiscal year 2027 budget request under which OESE developed or submitted a request in summer of 2025. Consequently, the requirements of the ONDCP Circular are not applicable.

ONDCP Circular (in section 6(b)(1)), in tandem with the ONDCP Circular Budget Formulation dated September 9, 2021 (in section 9(a)(1)), indicate that for agencies with no budget data applicable for the summer budget submission, the agency (1) notify ONDCP by July 15th that the agency budget formulation process does not include the submission of any agency budget proposal to ONDCP for review or adjudication prior to development of the OMB-level fall budget submission; and (2) attest to this fact in this Compliance Report.

The Department notified ONDCP by e-mail on September 8, 2025 that for the above reasons ONDCP would not be receiving a summer drug control budget request from the Department for the fiscal year 2027 formulation cycle. For purposes of this Compliance Report we reaffirm that the Department's fiscal year 2027 budget formulation process did not include the submission by OESE of any budget proposal, budget formulation data, or other pre-decisional budget information to the agency for review or adjudication prior to development of the Department's OMB-level fall budget submission.



ADMINISTRATION FOR
CHILDREN & FAMILIES

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

DATE: January 21, 2026

TO: Director
Office of National Drug Control Policy

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

FROM: Colleen Rathgeb
Director
Office of Legislative Affairs and Budget

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget
Formulation Summer Submission

COLLEEN C.
RATHGEB -S

Digitally signed by
COLLEEN C. RATHGEB -S
Date: 2026.01.23 13:53:17
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In accordance with the Office of National Drug Control Policy Circular: National Drug Control Program Agency Compliance Reviews issued September 9, 2021, the Administration for Children and Families (ACF) Fiscal Year 2025 Drug Control Obligation Summary is enclosed. Since ACF's obligations for drug-related activities falls below the reporting threshold of \$50 million, we attest that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden.

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

Summer Drug Budget Transmittal

ACF attests the Drug Control Narrative for RPG was sent to ONDCP May 29, 2025.

Assertions:

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

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

Resource Summary

	Budget Authority (in millions)		
	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Request
Drug Resources by Function			
Prevention	\$ 20.000	\$ 30.000	\$
Total Drug Resources by Function	\$ 20.000	\$ 30.000	\$
Drug Resources by Decision Unit			
Promoting Safe and Stable Families – Regional Partnership Grants Discretionary Program	\$ 0.000	\$ 0.000	\$
Promoting Safe and Stable Families – Regional Partnership Grants Mandatory Program	\$ 20.000	\$ 30.000	\$
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$ 70.7	TBD	
Drug Resources percentage	0.0%	0.0%	



ADMINISTRATION FOR
CHILDREN & FAMILIES

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

DATE: January 21, 2026

TO: Director
Office of National Drug Control Policy

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Colleen Rathgeb
Director
Office of Legislative Affairs and Budget

COLLEEN C. RATHGEB -S
Digitally signed by
COLLEEN C. RATHGEB -S
Date: 2026.01.23 13:52:39
+05'00'

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

In accordance with the Office of National Drug Control Policy Circular: National Drug Control Program Agency Compliance Reviews issued September 9, 2021, the Administration for Children and Families (ACF) Fiscal Year 2025 Drug Control Obligation Summary is enclosed. Since ACF's obligations for drug-related activities falls below the reporting threshold of \$50 million, we attest that full compliance with the ONDCP Circular would constitute an unreasonable reporting burden.

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

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

The statutory authority for RPG is Title IV, part B, subpart 2-Promoting Safe and Stable Families, Section 437(f) of the Social Security Act (42 U.S.C. 629g(f)). (https://www.ssa.gov/OP_Home/ssact/title04/0437.htm)

Resource Summary	FY 2025 *(\$ in millions)
Drug Resources by Function: Prevention	
Amount Appropriated for Regional Partnership Grants	\$20.000
Sequestration	-\$1.140
Total, Drug Resources by Function	\$18.860
Lapsed Mandatory	-\$0.11
Total, Drug Resources Obligated by Function	\$18.750
Drug Resources by Decision Unit	
Promoting Safe and Stable Families – Regional Partnership Grants Discretionary Program	\$0.000
Promoting Safe and Stable Families – Regional Partnership Grants Mandatory Program	\$20.000
Sequestration	-\$1.140
Total, Drug Resources Obligated by Decision Unit	\$18.860

1. Methodology: Congress appropriates \$20 million for RPG as part of the larger PSSF program. Funds are competitively awarded to jurisdictions that provide, through interagency collaboration and integration of programs and services, activities and services that are designed to increase the well-being of, improve permanency outcomes for, and enhance the safety of children who are in out-of-home placements or are at risk of being placed in out-of-home placements as a result of a parent's or caretaker's substance misuse. Funds support grant awards and related technical assistance efforts, the grant awards support a range of activities and interventions, including peer recovery coaching, family-centered and prevention-focused services, parenting and family strengthening programs, specialized services to fathers, and pregnant and postpartum women, medication assisted treatment, in-home parenting and child safety support for families, and related evidence-based practices. Costs specific to drug prevention within the awarded amount are not tracked separately within the RPG program.
2. Drug Methodology: Providing the total obligation funded to the RPG program is the only method to estimate drug prevention for the larger PSSF program. ACF obligated \$18.8 million, from the mandatory fund to support the RPG program to provide general technical assistance and evaluation services to jurisdictions, as well as services and activities to children and families impacted by a parent's or caretaker's substance abuse. Grantees select a range of services and activities that increase the well-being, permanency, and safety of children who are in or at risk of being placed in an out-of-home placement due to parental substance misuse. Examples of those services and activities may include substance abuse treatment for parents as well as other social service activities that improve parenting capacity and family functioning.

Regional Partnerships Grants Obligations FY 2025

Grants/Contracts	\$17,544,427
Salaries & Benefits	\$621,124
IAAs	\$676,313
5% Competitive RPG Set-Aside	\$0
Secretary Transfer	\$0
Lapsed Mandatory	\$18,136
Carryforward Mandatory	\$0
Lapsed Discretionary	\$0
Sequestration	\$1,140,000
Competitive RPG Discretionary	\$0
Total	\$20,000,000

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

B. Assertions:

1. Obligations by Budget Decision Unit –ACF asserts that the obligations reported in the table above are by the budget decision unit and are the actual obligations from the RPG/ACF accounting system of record.
2. Drug Methodology –
 - a) Data: ACF asserts that the methodology used to calculate obligations of prior year budgetary resources are reasonable and accurate. The data is based on obligations made using account numbers related to the decision units.
 - b) Financial Systems: Reporting is based on reliable data reported in the agency's financial system, UFMS.
3. Application of Drug Methodology –ACF asserts that the drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1).
4. Material Weaknesses or Other Findings – ACF asserts that no material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been found.
5. Methodology Modifications – ACF asserts that no modifications were made to methodology for reporting drug control resources from the previous year's reporting.
6. Reprogramming or Transfers – ACF asserts that the data presented are associate with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of all reprogramming or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.

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



DATE: February 17, 2025

TO: Director
Office of National Drug Control Policy

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

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

Odessa Crocker 
Acting Chief Financial Officer
Substance Abuse and Mental Health Services Administration

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation
Summer Submission

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

Timeliness of Summer Budget Submission

I assert that the summer drug budget was submitted on July 24, 2025, to ONDCP in response to Section 6.a.(1) in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) and was provided to ONDCP at the same time as the budget request was submitted to our superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for a Healthy America

Drug Budget Compliance Report

Resource Summary

	Budget Authority (in millions)		
	FY 2025 Enacted	FY 2026 Budget	FY 2027
Drug Resources by Function			
Prevention	*	\$1,328.081	
Treatment	*	\$3,186.198	
Recovery	*	\$316.011	
Total Drug Resources by Function	*	\$4,830.290	
Drug Resources by Decision Unit			
Health Center Program	*	\$731.000	
National Health Service Corps SUD Workforce Loan Repayment Program	\$104.600	\$104.600	
Addiction Medicine Fellowship Program	*	\$25.000	
SUD Treatment and Recovery Loan Repayment Program	*	\$40.000	
Rural Communities Opioid Response Program	\$145.000	\$145.000	
Behavioral Health Innovation Block Grant	—	\$3,094.238	
Behavioral Health and Substance Use Disorder Resources for Native Americans	—	\$60.000	
Targeted Behavioral Health Innovation and Capacity Expansion Grant	—	—	
Programs of Regional and National Significance	*	\$143.123	
Policy, Research, and Oversight	*	\$11.750	
Opioid Abuse and Overdose Prevention Surveillance	*	\$475.579	
Total Drug Resources by Decision Unit	*	\$4,830.290	
Drug Resources Personnel Summary			
Total FTEs (direct only)	649	634	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	*	\$20.6	
Drug Resources percentage	*	23.5%	

*Consistent with the 2025 operating plan, funding levels are displayed for statutory PPAs. This activity is not intended to be separate PPA for 2025, and is rolled up within the account.

Department of Health and Human Services
Office of Inspector General



Office of Audit Services

February 2026 | OAS-26-03-023

**Centers for Disease Control and
Prevention Fiscal Year 2025
Detailed Accounting Submission
and Fiscal Year 2027 Budget
Formulation Compliance Report for
National Drug Control Activities,
and the Accompanying Required
Assertions**



U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

February 24, 2026

TO: Allison Arwady, M.D., M.P.H.
Director, National Center for Injury Prevention and Control
Centers for Disease Control and Prevention

Dana Redford
Chief Financial Officer & Director
Office of Financial Resources
Centers for Disease Control and Prevention

FROM: John D. Hagg **JOHN HAGG** Digitally signed by JOHN HAGG
Date: 2026.02.24 12:50:14 -05'00'
Acting Deputy Inspector General for Audit Services

SUBJECT: Independent Attestation Review: *Centers for Disease Control and Prevention Fiscal Year 2025 Detailed Accounting Submission and Fiscal Year 2027 Budget Formulation Compliance Report for National Drug Control Activities, and the Accompanying Required Assertions*, OAS-26-03-023

We have reviewed the attached Centers for Disease Control and Prevention (CDC) Office of National Drug Control Policy (ONDCP) Detailed Accounting Report, which includes the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2025. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2027, and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information.¹ CDC management is responsible for, and submitted, the Detailed Accounting Report and Budget Formulation Compliance Report, which were prepared in accordance with the ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (ONDCP Compliance Reviews Circular). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of CDC's Detailed Accounting Report for fiscal year 2025, CDC's Budget Formulation Compliance Report for fiscal year 2027, and management's assertions based on our review.

¹ Although CDC's Budget Formulation Compliance Report was provided to ONDCP as of fiscal year 2025, the budget figures reflect the fiscal year 2027 funding request.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements, as described in the U.S. Government Accountability Office publication *Government Auditing Standards* (February 2024). Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Detailed Accounting Report, Budget Formulation Compliance Report, and management's assertions for them to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether management's reports and assertions are in accordance with the criteria in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion.

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

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

As part of our review, we performed review procedures on CDC's fiscal year 2025 Detailed Accounting Report and fiscal year 2027 Budget Formulation Compliance Report according to the ONDCP Compliance Reviews Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in CDC's reports. Those procedures included reviewing CDC's drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether CDC submitted the summer budget timely and whether funding levels represented CDC requests.

Based on our review, we are not aware of any material modifications that should be made to CDC's Detailed Accounting Report for fiscal year 2025 and CDC's Budget Formulation Compliance Report for fiscal year 2027 and management's assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

CDC's Detailed Accounting Report and Budget Formulation Compliance Report assertions are included as Attachments A and B.²

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and CDC. It is not intended to be, and should not be, used by anyone other than those specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Carla J. Lewis, Assistant Inspector General for Audit Services, at (202) 834-5992 or Carla.Lewis@oig.hhs.gov. Please refer to report number OAS-26-03-023 in all correspondence.

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

Centers for Disease Control and Prevention
FY 2025 CDC Detailed Accounting Report

DATE: February 6, 2026

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

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Dana Redford
Chief Financial Officer & Director
Office of Financial Resources
Centers of Disease control and Prevention

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

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

Obligations by Budget Decision Unit and Drug Control Function

I assert that obligations reported by budget decision unit and drug control function are the actual obligations derived from CDC's accounting system of record for these budget decision units (see Appendix A).

Drug Methodology

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

Application of Drug Methodology

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

Material Weaknesses or Other Findings

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

Centers for Disease Control and Prevention
FY 2025 CDC Detailed Accounting Report

Methodology Modifications

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

Reprogramming or Transfers

I assert that the data presented are associated with obligations against CDC's financial plan. The data presented are associated with budget activity lines defined in P.L. 119-4, Full-Year Continuing Appropriations Act, 2025, along with funds received from ONDCP in support of the Drug Free Communities Program.

CDC did not transfer drug control budget authority funds in FY 2025.

Funds Control Notices

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

Dana
Redford -S

Digitally signed by Dana
Redford -S
Date: 2025.02.06
11:47:41 -05'00'

Dana Redford
Chief Financial Officer & Director,
Office of Financial Resources (OFR)
Centers for Disease Control and Prevention

Centers for Disease Control and Prevention
FY 2025 CDC Detailed Accounting Report

Appendix A: FY 2025 CDC Detailed Accounting Report Tables

Drug Resources by Decision Unit Table

FY 2025 Drug Resources by Decision Unit	FY 2025 Resources¹	FY 2025 Obligations
Opioid Overdose Prevention and Surveillance	\$505,579,000	\$504,869,834
Infectious Diseases and the Opioid Epidemic	\$23,000,000	\$22,075,567
Drug Free Communities Program ²	\$80,926,320	\$79,718,862
Total Drug Resources	\$609,505,320	\$606,664,263

¹ FY 2025 funding reflects full-year Continuing Resolution level and did not include an associated FY 2025 Joint Explanatory Statement specifying discrete amounts for funding lines associated with drug control resources.

² Drug Free Communities Program: funding was provided to CDC via Expenditure Transfer and Interagency Agreement. FY 2025 resources reflect both transferred dollars into CDC (\$72M) and regular reimbursable agreements (\$8.9M) supporting DFC activities.

Drug Resources by Function Table

FY 2025 Drug Resources by Budget Function	FY 2025 Resources	FY 2025 Obligations
Prevention	\$40,505,320	\$538,588,696
Harm Reduction	\$69,000,000	68,075,567
Total by Function	\$609,505,320	\$606,664,263

Methodology

The CDC methodology for determining the drug control budget was established using the amounts appropriated (or budget authority) for Opioid Overdose Prevention and Surveillance (\$505,579,000) and Infectious Diseases and the Opioid Epidemic (\$23,000,000) under P.L. 119-4, Full-Year Continuing Appropriations Act, 2025. In addition to amounts appropriated directly to CDC, the Agency administers the Drug Free Communities Program (\$80,926,320) through a transfer and reimbursable agreements from ONDCP.

CDC plays a critical role in opioid overdose prevention by improving the accuracy, comprehensiveness, and timeliness of nonfatal and fatal overdoses and in using those data to identify and scale up effective interventions. CDC's funding initiatives work to build state, local and tribal capacity and equip public health officials with resources to combat the epidemic. CDC uses data to drive action to prevent and address opioid overdoses, as well as other negative health effects of this epidemic.

CDC focuses on implementing evidence-based strategies to prevent infectious diseases associated with drug use, improve the health of people who use drugs, and better prepare the nation for infectious disease outbreaks and emerging public health threats. CDC works to decrease barriers to prevention and care experienced by populations disproportionately affected by substance use and overdose to increase access to services that save lives and improve health.

Centers for Disease Control and Prevention
FY 2025 CDC Detailed Accounting Report

Methodology Modifications N/A

Material Weakness or Other Findings N/A

Reprogrammings or Transfers N/A

Other Disclosures N/A

Centers for Disease Control and Prevention
Budget Formulation Compliance Report

DATE: February 6, 2026

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

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

FROM: Dana Redford
Chief Financial Officer & Director
Centers for Disease Control and Prevention

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation Summer Submission

a. Summer budget formulation information

- (1) Summer drug budget transmittal – CDC's FY 2027 summer drug budget was transmitted to ONDCP on June 30, 2025.
- (2) Summer drug budget resource summary table – CDC's FY 2027 summer drug budget funding table is included on page two of this memo.

b. Assertions

- (1) Timeliness of summer budget submission – I assert that CDC's FY 2027 summer drug budget was submitted to ONDCP on the date reported in Section 6.a.(1), and was provided to ONDCP at the same time as that budget request was submitted to their superiors accordance with 21 U.S.C. § 1703(c)(1)(A).
- (2) Funding levels represent bureau-level request – I assert that the funding request in the submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

Dana
Redford -S

Digitally signed by Dana
Redford -S
Date: 2026.02.06
11:45:52 -0500

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

CENTERS FOR DISEASE CONTROL AND PREVENTION

Resource Summary

<i>(Dollars in Millions)</i>	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 ^{1,2}	
			Lower	Flat Level
Drug Resources by Function				
Harm Reduction	*	\$23.000		
Total Drug Resources by Function	*	\$23.000		
Drug Resources by Decision Unit				
Consolidated Hepatitis, STD and Tuberculosis Prevention ³	*	\$23.000		
Total Drug Resources by Decision Unit	*	\$23.000		
Drug Resources Personnel Summary				
Total FTEs (Direct Only) ⁴	*	7		
Consolidated Hepatitis, STD and Tuberculosis Prevention	*	7		
Drug Resources as a Percent of Budget				
Total Agency Budget ⁵	*	\$4,242.575		
Drug Resources Percentage	*	0.54%		

² In alignment with the proposed HHS reorganization, the FY 2027 Budget continues the PB Request to realign Infectious Diseases and the Opioid Epidemic (IDO) into a new line, Consolidated Hepatitis, STD and Tuberculosis Prevention. Funding allocations are subject to change.

³ Consistent with the 2025 operating plan, funding levels are displayed for statutory PPAs. This activity is not intended to be separate PPA for 2025 and is rolled up within the account.

⁴ FY 2026 FTE levels reflect estimates for October 1, 2025 and may not represent expected FTE levels across FY 2026. These estimates are subject to change.

⁵ Excludes ATSDR and mandatory programs; includes funding from the Prevention and Public Health Fund and PHS Evaluation Transfers.

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U.S. Department of Health and Human Services

Office of Inspector General

Public Affairs

330 Independence Ave., SW

Washington, DC 20201

Email: Public.Affairs@oig.hhs.gov



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

Office of Financial Management

MEMORANDUM

DATE: February , 2026

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

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

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

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation Summer Submission

In accordance with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, CMS states that its FY 2027 Summer Drug Budget was submitted to ONDCP on Wednesday, July 2, 2025, under Section 9.a.(1) of the ONDCP Circular, *Budget Formulation*, dated September 9, 2021. CMS also makes the following assertions under Section 6, Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

CMS asserts, in accordance with Section 6.a.(1), that the FY 2027 Summer Drug Budget submitted to ONDCP on Wednesday, July 2, 2025 was provided to ONDCP at the same time as the budget request was submitted to HHS in accordance with 21 U.S.C. § 1703(c)(1)(A) without alteration or adjustment.

Funding Levels Represent Actuarial Estimates of Projected Spending Based on Current Law
CMS asserts, in accordance with Section 6.a.(2), that we do not receive specific ONDCP

appropriation funding for drug control activities. The amounts provided are not based on obligations but rather on estimates of the projected costs associated with substance use disorder (SUD) treatment paid for by Medicare and Medicaid, which are conducted by the CMS Office of the Actuary (OACT). Our submission represents the budget estimates made by CMS to the Department without alteration or adjustment by any official at the Department. (See Attachment A.)

Sign and Date:

MEGAN WORSTELL -S Digitally signed by MEGAN WORSTELL -S
Date: 2026.02.23 16:00:12 -05'00'

Megan Worstell

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

Attachments

- Attachment A - FY 2027 Summer Drug Budget Resource Summary Table

Attachment A

FY 2027 Summer Drug Budget Resource Summary Table

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

Resource Summary	FY 2025 Estimates	FY 2026 Estimates	FY 2027 Estimates
Drug Resources by Decision Unit and Function/Program			
Medicaid Treatment	\$10,170.0	\$10,860.0	
Total Decision Unit #1 Medicaid	\$10,170.0	\$10,860.0	
Medicare Treatment	\$3,430.0	\$3,730.0	
Total Decision Unit #2 Medicare	\$3,430.0	\$3,730.0	
Total Funding	\$13,600.0	\$14,590.0	
Drug Resources Personnel Summary			
Total FTEs (direct only)	--	--	--
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions). ¹	\$1,828.0	\$1,971.1	
Drug Resources Percentage	0.7%	0.7%	

¹ The total agency budget reflects only Medicare and Medicaid current law benefit costs as estimated by the CMS Office of the Actuary. The Medicaid total reflects the net outlays of Medical Assistance Payments benefit grants and the Vaccines for Children Program, administered by the Centers for Disease Control and Prevention. The Medicare total reflects gross benefit outlays.



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

Office of Financial Management

MEMORANDUM

DATE: February , 2026

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

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

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

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

In accordance with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, CMS makes the following assertions under Section 7, Detailed Accounting Report:

Obligations by Budget Decision Unit

CMS asserts, in accordance with Section 7.b.(1), that the amounts provided are based on estimates of the projected costs associated with substance use disorder (SUD) treatment paid for by Medicare and Medicaid, and which are prepared by the CMS Office of the Actuary (OACT). (See Attachment A.)

Drug Methodology

CMS asserts, in accordance with Section 7.b.(2), that the methodology used to determine these estimates is based on an analysis of historical claims experience and is reasonable and accurate. In accordance with these criteria, CMS has documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which

are subjected to periodic review), and determined that the methodology yield data that present fairly, in all material aspects, estimates based on current law from which the drug estimates are derived. (See Attachment B.)

Application of Drug Methodology

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

Material Weaknesses or Other Findings

CMS asserts, in accordance of Section 7.b.(4), there have been no material weaknesses or other findings by independent sources or other known weaknesses reported in the agency's annual financial statement audit or internal controls review which would be identified in the Agency's Annual Statement of Assurance that may affect the presentation of prior year drug-related obligations as required.

Methodology Modifications

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

Reprogrammings or Transfers

CMS asserts, in accordance with Section 7.b.(6), that there have been no reprogramming or transfers.

Fund Control Notices

CMS asserts, in accordance with Section 7.b.(7), that the amounts provided are not based on obligations but rather on estimates of the projected costs associated with SUD treatment paid for by Medicare and Medicaid, and which are prepared by OACT.

Sign and Date:

MEGAN WORSTELL -S

Digitally signed by MEGAN

WORSTELL -S

Date: 2026.02.23 16:03:50 -05'00'

Megan Worstell

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

Attachments

- Attachment A - FY 2025 Drug Control Resource Table
- Attachment B - FY 2025 Drug Control Methodology

Attachment A

FY 2025 Drug Control Summary Resource Table

CENTERS FOR MEDICARE & MEDICAID SERVICES

FY 2025 Drug Control Enacted Outlays

(Dollars in millions except where indicated otherwise)

Drug Resources by Decision Unit and Function

Medicaid	
Treatment.....	\$10,170.0
Total Medicaid.....	\$10,170.0
Medicare	
Treatment.....	\$3,430.0
Total Medicare.....	\$3,430.0
Total Funding.....	\$13,600.0
Drug Resources Personnel Summary	
<i>Total Full Time Equivalents (FTEs).....</i>	<i>0</i>
Drug Resources as a Percent of Budget	
Total Agency Budget (in billions) ¹	\$1,828.0
Drug Resources Percentage.....	0.7%

¹ The total agency budget reflects only Medicare and Medicaid current law benefit costs as estimated by the CMS Office of the Actuary. The Medicaid total reflects the net outlays of Medical Assistance Payments benefit grants and the Vaccines for Children Program, administered by the Centers for Disease Control and Prevention. The Medicare total reflects gross benefit outlays.

Attachment B

FY 2025 Drug Control Methodology

1) Drug Methodology – The Fiscal Year (FY) 2025 Drug Control budgetary resources are provided based on estimates of the projected costs associated with substance use disorder (SUD) treatment paid for by Medicare and Medicaid and are prepared by the CMS Office of the Actuary (OACT). See below for detailed descriptions of the Medicaid and Medicare methodologies.

a. FY 2025 Outlays/Enacted by Budget Decision Unit – CMS distributes drug control treatment into two functions:

- Medicaid – Treatment
- Medicare – Treatment

Medicaid Treatment:

Included in this Drug Control Accounting report for FY 2025 are estimated Medicaid outlays, rather than obligations, since CMS drug control resources reflect benefits estimates and not appropriated funds. Based on the Medicaid Methodology stated below, OACT projected \$10,170.0 million in estimated outlays in Medicaid treatment costs based on the methodology below.

Medicaid Methodology

The projections provided in the above table were based on data from the Medicaid Analytic eXtract (MAX) for Fiscal Year (FY) 2007 through 2013, based on expenditures for claims with SUDs as a primary diagnosis. Managed care expenditures were estimated based on the ratio of SUD expenditures to all expenditures for fee-for-service by eligibility group. The estimates were trended forward to FY 2023 using the growth rate of expenditures by state and eligibility category from the form CMS-64, Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, MAX data. The annual growth rates were adjusted by comparing the rate of SUD expenditure growth from FY 2007 through 2013 to all service expenditure growth and adjusting the growth rate proportionately.

Medicare Treatment:

Included in this Drug Control Accounting report for FY 2025 are estimated Medicare outlays, rather than obligations, since CMS drug control resources reflect benefits estimates and not appropriated funds. Based on the Medicare Methodology stated below, OACT projected \$3,430.0 million in estimated outlays in Medicare treatment costs based on the methodology below.

Medicare Methodology

The projections of Medicare spending for the treatment of SUDs reflect estimated Part A and Part B spending and are based on an analysis of historical fee-for-service claims through 2023,

using the primary diagnosis code² included on the claims. The historical trend is then used to make projections into the future. These projections are very similar to last year's estimates.

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

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

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

² Based on the International Classification of Diseases (ICD) coding system. The applicable ICD-9 codes for SUD treatment include a subset of the 291, 292, 303, 304, and 305 category of codes; ICD-9 codes 7903, E9352, and E9401; and *Other Chronic and Potentially Disabling Conditions for Alcohol and Drug Use Disorders*, excluding V65.42 and V79.1. The applicable ICD-10 codes for substance abuse include a subset of the F10, F11, F12, F13, F14, F15, F16, F17, F18, and F19, G62, I42, K29, K70, O35, O99, P04, P96, Q86, R78, T40, T50, and T51 ICD-10 category of codes.

Department of Health and Human Services
Office of Inspector General



Office of Audit Services

February 2026 | OAS-26-03-024

**Food and Drug Administration
Fiscal Year 2025 Detailed
Accounting Submission and Fiscal
Year 2027 Budget Formulation
Compliance Report for National
Drug Control Activities, and the
Accompanying Required Assertions**



U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

February 24, 2026

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

FROM: John D. Hagg **JOHN HAGG** Digitally signed by JOHN HAGG
Date: 2026.02.24 12:48:45 -05'00'
Acting Deputy Inspector General for Audit Services

SUBJECT: Independent Attestation Review: *Food and Drug Administration Fiscal Year 2025 Detailed Accounting Submission and Fiscal Year 2027 Budget Formulation Compliance Report for National Drug Control Activities, and the Accompanying Required Assertions*, OAS-26-03-024

We have reviewed the attached Food and Drug Administration (FDA) Office of National Drug Control Policy (ONDCP) Detailed Accounting Report, which includes the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2025. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2027, and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information.¹ FDA management is responsible for, and submitted, the Detailed Accounting Report and Budget Formulation Compliance Report, which were prepared in accordance with the ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (ONDCP Compliance Reviews Circular). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of FDA's Detailed Accounting Report for fiscal year 2025, FDA's Budget Formulation Compliance Report for fiscal year 2027, and management's assertions based on our review.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements, as described in the U.S. Government Accountability Office publication *Government Auditing Standards* (February 2024). Those standards require that we plan and perform the review to

¹ Although FDA's Budget Formulation Compliance Report was provided to ONDCP as of fiscal year 2025, the budget figures reflect the fiscal year 2027 funding request.

obtain limited assurance about whether any material modifications should be made to the Detailed Accounting Report, Budget Formulation Compliance Report, and management's assertions for them to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether management's reports and assertions are in accordance with the criteria in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion.

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

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

As part of our review, we performed review procedures on FDA's fiscal year 2025 Detailed Accounting Report and fiscal year 2027 Budget Formulation Compliance Report according to the ONDCP Compliance Reviews Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in FDA's reports. Those procedures included reviewing FDA's drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether FDA submitted the summer budget timely and whether funding levels represented FDA requests.

Based on our review, we are not aware of any material modifications that should be made to FDA's Detailed Accounting Report for fiscal year 2025 and FDA's Budget Formulation Compliance Report for fiscal year 2027 and management's assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

FDA's Detailed Accounting Report is included as Attachment A.²

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and FDA. It is not intended to be, and should not be, used by anyone other than those specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Carla J. Lewis, Assistant Inspector General for Audit Services, at (202) 834-5992 or Carla.Lewis@oig.hhs.gov. Please refer to report number OAS-26-03-024 in all correspondence.

² We did not attach the Budget Formulation Compliance Report assertions because they were embedded within the Budget Formulation Compliance Report which contains prospective information.



DATE: February 12, 2026

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

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Benjamin Moncarz,
Chief Financial Officer **BENJAMIN D. MONCARZ -S** Digitally signed by BENJAMIN D. MONCARZ -S
U.S. Food & Drug Administration Date: 2026.02.12 13:52:47 -05'00'

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

In accordance with the requirements of National Drug Control Program Agency Compliance Reviews dated September 9, 2021, FDA provides the following Table of Prior Year Drug Control Obligations by Decision and Drug Control Function:

Drug Control Resources by Decision Unit and Function

Budget Authority (in millions)					
	FY 2025 President's Request	FY 2025 Enacted Resources	Obligations Identified in UFMS Reports	Obligations Recorded by Defined Methodology	Total Obligations
Drug Resources by Decision Unit					
Center for Drug Evaluation and Research	\$23.50	\$23.50	\$ 10.49	\$ 4.66	\$ 15.15
Operating			\$ 10.49	\$ -	\$ 10.49
Payroll			\$ -	\$ 4.66	\$ 4.66
Center for Devices and Radiological Health	\$1.50	\$1.50	\$ -	\$ 0.53	\$ 0.53
Operating			\$ -	\$ -	\$ -
Payroll			\$ -	\$ 0.53	\$ 0.53
Office of Inspections and Investigations	\$42.29	\$42.29	\$ 21.10	\$ 21.19	\$ 42.29
Operating			\$ 3.39	\$ 9.98	\$ 13.37
Payroll			\$ 17.71	\$ 11.21	\$ 28.92
Office of the Chief Scientist	\$11.71	\$11.71	\$ -	\$ 2.88	\$ 2.88
Operating			\$ -	\$ 0.50	\$ 0.50
Payroll			\$ -	\$ 2.38	\$ 2.38
Office of Operations	\$0.50	\$0.50	\$ -	\$ 0.33	\$ 0.33
Operating			\$ -	\$ -	\$ -
Payroll			\$ -	\$ 0.33	\$ 0.33
Total Drug Resources by Decision Unit		\$79.50	\$ 31.59	\$ 29.58	\$ 61.17



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Budget Authority (in millions)				
	FY 2025 President's Request	FY 2025 Enacted Resources	Obligations Identified in UFMS Reports	Obligations Recorded by Defined Methodology
Drug Resources by Function				
Center for Drug Evaluation and Research (CDER)				
Research and Development: Treatment & Prevention		\$23.50	\$10.49	\$4.66
<i>Harm Reduction (non-add)</i>		\$10.00	\$3.81	\$-
Center for Device and Radiological Health (CDRH)				
Research and Development: Treatment		\$1.50	\$-	\$0.53
Office of Inspections and Investigations (OII)				
Interdiction		\$42.29	\$21.10	\$21.19
Office of the Chief Scientist (OCS)				
Interdiction		\$11.71	\$0.00	\$2.88
Office of Operations (OO)				
Interdiction		\$0.50	\$-	\$0.33
Total Drug Resources by Function		\$79.50	\$31.59	\$29.58

Drug Methodology

FDA identified the drug control budget by using the dedicated budget authority for opioids activities. This includes opioid dedicated activities conducted by the Center for Drug Evaluation and Research (CDER), Office of Inspections and Investigations (OII) (formerly Office of Regulatory Affairs (ORA)), the Center for Devices and Radiological Health (CDRH), the Office of Chief Scientist (OCS) and Office of Operations (OO). OCS and OO were newly added offices in FY2025. Under OCS, FDA's Forensic Chemistry Center became the National Forensic Chemistry Center (NFCC) in the Office of Specialty Laboratories and Enforcement Support (OSLES) in FY 2025. This realignment allowed for increased scientific collaborations both within and outside of FDA, ultimately increasing our scientific capabilities and capacity to protect public health. FDA/OII's Division of Information Disclosure Policy (DIDP) relocated to the OO with the FY 2025 reorganization. The Division of Freedom of Information (DFOI) also relocated to the OO. DFOI manages the intake, triaging, and appeals for all FDA FOIA requests, including those related to opioids and drug control.

FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), that identifies \$31.59M of the obligations against the drug control budget. The remaining \$29.58M is obligated in UFMS as part of FDA's drug control efforts but utilizes a defined methodology to define the funding attributable to opioids spending.

For OII's opioids work, about \$21.10M can be identified in a UFMS report and tracked by Common Accounting Number (CAN). The remaining \$21.19M is obligated in UFMS as part of the broader field component of the Human Drugs program but requires a defined methodology to define the funding attributable to the opioids spending. To note, an additional \$11.21M should have been recorded in UFMS payroll reports, however due to the workforce reductions, the Mass Allocation for OII's Office of Imports Operations was not updated in a timely manner. OII conducted a manual calculation of what the total should have been if it was able to complete the updates and those costs are reflected under the defined methodology amount. Due to the matrix nature of OII's work, tracking all expenditures in UFMS is difficult. Therefore, to ensure the best tracking of the obligation of resources by program, project, and activity (PPA), OII utilizes a defined methodology that focuses on the OII Field Workplan which outlines, in detail, the foreign, import, and domestic workload for OII field offices. OII budget staff analyzes the



data to ensure that the OII work being accomplished throughout the year remains in line with the PPAs. This methodology is also used to ensure OII is spending the appropriate level of resources on opioids related work for both payroll and operating costs.

For CDER's opioids work, about \$10.49M can be identified in a UFMS report and tracked by CAN for opioid-related research and operating costs. Approximately \$4.66M of payroll funds are obligated in UFMS, but the costs are not easily distinguishable, and a defined methodology is used to determine the opioids spending. CDER tracks Opioids payroll offline using Integrated Budget and Acquisition Planning System (IBAPS) payroll data. Each identified Opioids position's actual expenses are captured from IBAPS. The remaining FY 2025 Enacted Resources (approximately \$8.35M) were unspent due to FY25 budgetary limitations, including operation under a Continuing Resolution and workforce reductions, and revisions to funding approval and allocation procedures for new and continuing research.

For CDRH's opioids work, about \$0.5M can be identified in a UFMS report and is tracked by CAN, acquisition description, and FTE workload. These costs are the average for 2 Full Time Equivalents (FTE). The remaining FY 2025 enacted resources (approximately \$1M) were unspent.

For OCS' opioids-related work, approximately \$2.9M can be identified in UFMS but was not fully tracked using opioid-specific CANs in FY 2025. Of this total, approximately \$2.4M represents payroll obligations recorded in UFMS, and approximately \$504K represents operating costs attributable to opioid-related activities. OCS employs a defined methodology to track opioid-related spending. Specifically, OCS identifies opioid-related positions and activities based on program responsibilities and workload alignment. Payroll costs for these identified opioid-related positions are tracked offline using UFMS payroll reports and internal staffing analyses to estimate the proportion of time and cost attributable to opioid-related work. Operating costs are similarly reviewed and attributed based on documented opioid-related projects, contracts, and activities. This defined methodology enables OCS to capture and report opioid-related obligations.

For OO's opioids work, about \$0.3M of payroll funds were obligated in UFMS, but the costs were not easily distinguishable, and a defined methodology was used to determine the opioids spending. OO received 2 FTE from the Office of Regulatory Affairs in FY 2025 as part of a major reorganization. The funding for those FTE was provided by Congress through a special initiative and supported FDA's drug control activities. Those support efforts continued in OO in FY 2025 and are attributable to the drug control budget. The estimated workload was 2 FTE and OO validated the \$0.3M payroll spent by comparing actual spending to the number of onboarded opioid staff at year end. The \$163K average cost per employee is within salary standards. The amount is lower than budgeted due to workforce and operational changes that occurred in FY 2025.

Methodology Modifications

I assert that the methodology for reporting drug control resources as required by Section 7.b.(5) of the Circular remained largely the same with the inclusion of two new offices, Office of the Chief Scientist and Office of Operations and the name change from Office of Regulatory Affairs (ORA) to the Office of Investigations and Inspections (OII).

Material Weakness or Other Findings

N/A

Reprogramming's or Transfers



N/A

Other Disclosures

N/A

Obligations by Budget Decision Unit

I assert the obligations reported by budget decision units are actual obligations from FDA's financial accounting system (UFMS) and can be identified by a standard report or based on a defined methodology to track payroll and operating expenses (ex. IBAPS Payroll reporting, analysis of OII Field Workplan).

Drug Methodology

I assert that the drug methodology used to calculate obligations of budget resources for FDA's opioids activities included in the National Drug Control Budget was reasonable and accurate in accordance with the criteria listed in Section 7.b.(2) of the Circular.

- (a) Data: FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), that identified \$31.59M of the obligations against the drug control budget. The remaining \$29.58M was obligated in UFMS as part of FDA's drug control efforts but utilizes a defined methodology to define the funding attributable to opioids spending
- (b) Financial Systems: FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), FBIS and IBAPS.

Application of Drug Methodology

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

Material Weakness or Other Findings

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

Methodology Modifications

I assert that the methodology for reporting drug control resources as required by Section 7.b.(5) of the Circular remained largely the same.

Reprogramming or Transfers

I assert that the data presented are associated with obligations against FDA's financial plan as required by Section 7.b.(6) of the Circular. FDA had no reportable reprogramming's or transfers in FY 2025 related to drug-control obligations.

Fund Control Notices



U.S. FOOD & DRUG
ADMINISTRATION

FDA has not received any Fund Control Notices from ONDCP. Therefore, I assert that FDA is in compliance with Section 7.b.(7) of the Circular.

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OIG Hotline Operations accepts tips and complaints from all sources about potential fraud, waste, abuse, and mismanagement in HHS programs. Hotline tips are incredibly valuable, and we appreciate your efforts to help us stamp out fraud, waste, and abuse.



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TTY: 1-800-377-4950

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Anyone who suspects fraud, waste, and abuse should report their concerns to the OIG Hotline. OIG addresses complaints about misconduct and mismanagement in HHS programs, fraudulent claims submitted to Federal health care programs such as Medicare, abuse or neglect in nursing homes, and many more. [Learn more about complaints OIG investigates.](#)

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Who Is Protected?

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U.S. Department of Health and Human Services

Office of Inspector General

Public Affairs

330 Independence Ave., SW

Washington, DC 20201

Email: Public.Affairs@oig.hhs.gov



**U.S. FOOD & DRUG
ADMINISTRATION**

DATE: February 12, 2026
TO: Director
Office of National Drug Control Policy (ONDCP)

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Benjamin Moncarz,
Chief Financial Officer **BENJAMIN D. MONCARZ -S** Digitally signed by BENJAMIN D. MONCARZ -S
U.S. Food & Drug Administration Date: 2026.02.12 13:52:47 -05'00'

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

In accordance with the requirements of National Drug Control Program Agency Compliance Reviews dated September 9, 2021, FDA provides the following Table of Prior Year Drug Control Obligations by Decision and Drug Control Function:

Drug Control Resources by Decision Unit and Function

Budget Authority (in millions)					
	FY 2025 President's Request	FY 2025 Enacted Resources	Obligations Identified in UFMS Reports	Obligations Recorded by Defined Methodology	Total Obligations
Drug Resources by Decision Unit					
Center for Drug Evaluation and Research	\$23.50	\$23.50	\$ 10.49	\$ 4.66	\$ 15.15
Operating			\$ 10.49	\$ -	\$ 10.49
Payroll			\$ -	\$ 4.66	\$ 4.66
Center for Devices and Radiological Health	\$1.50	\$1.50	\$ -	\$ 0.53	\$ 0.53
Operating			\$ -	\$ -	\$ -
Payroll			\$ -	\$ 0.53	\$ 0.53
Office of Inspections and Investigations	\$42.29	\$42.29	\$ 21.10	\$ 21.19	\$ 42.29
Operating			\$ 3.39	\$ 9.98	\$ 13.37
Payroll			\$ 17.71	\$ 11.21	\$ 28.92
Office of the Chief Scientist	\$11.71	\$11.71	\$ -	\$ 2.88	\$ 2.88
Operating			\$ -	\$ 0.50	\$ 0.50
Payroll			\$ -	\$ 2.38	\$ 2.38
Office of Operations	\$0.50	\$0.50	\$ -	\$ 0.33	\$ 0.33
Operating			\$ -	\$ -	\$ -
Payroll			\$ -	\$ 0.33	\$ 0.33
Total Drug Resources by Decision Unit		\$79.50	\$ 31.59	\$ 29.58	\$ 61.17



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Budget Authority (in millions)				
	FY 2025 President's Request	FY 2025 Enacted Resources	Obligations Identified in UFMS Reports	Obligations Recorded by Defined Methodology
Drug Resources by Function				
Center for Drug Evaluation and Research (CDER)				
Research and Development: Treatment & Prevention		\$23.50	\$10.49	\$4.66
<i>Harm Reduction (non-add)</i>		\$10.00	\$3.81	\$ -
Center for Device and Radiological Health (CDRH)				
Research and Development: Treatment		\$1.50	\$ -	\$0.53
Office of Inspections and Investigations (OII)				
Interdiction		\$42.29	\$ 21.10	\$ 21.19
Office of the Chief Scientist (OCS)				
Interdiction		\$11.71	\$0.00	\$ 2.88
Office of Operations (OO)				
Interdiction		\$0.50	\$ -	\$0.33
Total Drug Resources by Function		\$79.50	\$31.59	\$29.58

Drug Methodology

FDA identified the drug control budget by using the dedicated budget authority for opioids activities. This includes opioid dedicated activities conducted by the Center for Drug Evaluation and Research (CDER), Office of Inspections and Investigations (OII) (formerly Office of Regulatory Affairs (ORA)), the Center for Devices and Radiological Health (CDRH), the Office of Chief Scientist (OCS) and Office of Operations (OO). OCS and OO were newly added offices in FY2025. Under OCS, FDA's Forensic Chemistry Center became the National Forensic Chemistry Center (NFCC) in the Office of Specialty Laboratories and Enforcement Support (OSLES) in FY 2025. This realignment allowed for increased scientific collaborations both within and outside of FDA, ultimately increasing our scientific capabilities and capacity to protect public health. FDA/OII's Division of Information Disclosure Policy (DIDP) relocated to the OO with the FY 2025 reorganization. The Division of Freedom of Information (DFOI) also relocated to the OO. DFOI manages the intake, triaging, and appeals for all FDA FOIA requests, including those related to opioids and drug control.

FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), that identifies \$31.59M of the obligations against the drug control budget. The remaining \$29.58M is obligated in UFMS as part of FDA's drug control efforts but utilizes a defined methodology to define the funding attributable to opioids spending.

For OII's opioids work, about \$21.10M can be identified in a UFMS report and tracked by Common Accounting Number (CAN). The remaining \$21.19M is obligated in UFMS as part of the broader field component of the Human Drugs program but requires a defined methodology to define the funding attributable to the opioids spending. To note, an additional \$11.21M should have been recorded in UFMS payroll reports, however due to the workforce reductions, the Mass Allocation for OII's Office of Imports Operations was not updated in a timely manner. OII conducted a manual calculation of what the total should have been if it was able to complete the updates and those costs are reflected under the defined methodology amount. Due to the matrix nature of OII's work, tracking all expenditures in UFMS is difficult. Therefore, to ensure the best tracking of the obligation of resources by program, project, and activity (PPA), OII utilizes a defined methodology that focuses on the OII Field Workplan which outlines, in detail, the foreign, import, and domestic workload for OII field offices. OII budget staff analyzes the



**U.S. FOOD & DRUG
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data to ensure that the OII work being accomplished throughout the year remains in line with the PPAs. This methodology is also used to ensure OII is spending the appropriate level of resources on opioids related work for both payroll and operating costs.

For CDER's opioids work, about \$10.49M can be identified in a UFMS report and tracked by CAN for opioid-related research and operating costs. Approximately \$4.66M of payroll funds are obligated in UFMS, but the costs are not easily distinguishable, and a defined methodology is used to determine the opioids spending. CDER tracks Opioids payroll offline using Integrated Budget and Acquisition Planning System (IBAPS) payroll data. Each identified Opioids position's actual expenses are captured from IBAPS. The remaining FY 2025 Enacted Resources (approximately \$8.35M) were unspent due to FY25 budgetary limitations, including operation under a Continuing Resolution and workforce reductions, and revisions to funding approval and allocation procedures for new and continuing research.

For CDRH's opioids work, about \$0.5M can be identified in a UFMS report and is tracked by CAN, acquisition description, and FTE workload. These costs are the average for 2 Full Time Equivalents (FTE). The remaining FY 2025 enacted resources (approximately \$1M) were unspent.

For OCS' opioids-related work, approximately \$2.9M can be identified in UFMS but was not fully tracked using opioid-specific CANs in FY 2025. Of this total, approximately \$2.4M represents payroll obligations recorded in UFMS, and approximately \$504K represents operating costs attributable to opioid-related activities. OCS employs a defined methodology to track opioid-related spending. Specifically, OCS identifies opioid-related positions and activities based on program responsibilities and workload alignment. Payroll costs for these identified opioid-related positions are tracked offline using UFMS payroll reports and internal staffing analyses to estimate the proportion of time and cost attributable to opioid-related work. Operating costs are similarly reviewed and attributed based on documented opioid-related projects, contracts, and activities. This defined methodology enables OCS to capture and report opioid-related obligations.

For OO's opioids work, about \$0.3M of payroll funds were obligated in UFMS, but the costs were not easily distinguishable, and a defined methodology was used to determine the opioids spending. OO received 2 FTE from the Office of Regulatory Affairs in FY 2025 as part of a major reorganization. The funding for those FTE was provided by Congress through a special initiative and supported FDA's drug control activities. Those support efforts continued in OO in FY 2025 and are attributable to the drug control budget. The estimated workload was 2 FTE and OO validated the \$0.3M payroll spent by comparing actual spending to the number of onboarded opioid staff at year end. The \$163K average cost per employee is within salary standards. The amount is lower than budgeted due to workforce and operational changes that occurred in FY 2025.

Methodology Modifications

I assert that the methodology for reporting drug control resources as required by Section 7.b.(5) of the Circular remained largely the same with the inclusion of two new offices, Office of the Chief Scientist and Office of Operations and the name change from Office of Regulatory Affairs (ORA) to the Office of Investigations and Inspections (OII).

Material Weakness or Other Findings

N/A

Reprogramming's or Transfers

N/A

Other Disclosures

N/A

Obligations by Budget Decision Unit

I assert the obligations reported by budget decision units are actual obligations from FDA's financial accounting system (UFMS) and can be identified by a standard report or based on a defined methodology to track payroll and operating expenses (ex. IBAPS Payroll reporting, analysis of OII Field Workplan).

Drug Methodology

I assert that the drug methodology used to calculate obligations of budget resources for FDA's opioids activities included in the National Drug Control Budget was reasonable and accurate in accordance with the criteria listed in Section 7.b.(2) of the Circular.

- (a) Data: FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), that identified \$31.59M of the obligations against the drug control budget. The remaining \$29.58M was obligated in UFMS as part of FDA's drug control efforts but utilizes a defined methodology to define the funding attributable to opioids spending
- (b) Financial Systems: FDA pulls reports from our accounting system of record, United Financial Management System (UFMS), FBIS and IBAPS.

Application of Drug Methodology

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

Material Weakness or Other Findings

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

Methodology Modifications

I assert that the methodology for reporting drug control resources as required by Section 7.b.(5) of the Circular remained largely the same.

Reprogramming or Transfers

I assert that the data presented are associated with obligations against FDA's financial plan as required by Section 7.b.(6) of the Circular. FDA had no reportable reprogramming's or transfers in FY 2025 related to drug-control obligations.

Fund Control Notices



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FDA has not received any Fund Control Notices from ONDCP. Therefore, I assert that FDA is in compliance with Section 7.b.(7) of the Circular.



**U.S. FOOD & DRUG
ADMINISTRATION**

DATE: January 22, 2026

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

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

FROM: Benjamin Moncarz
Chief Financial Officer
U.S. Food & Drug Administration

**BENJAMIN D.
MONCARZ -S**

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BENJAMIN D. MONCARZ
-S
Date: 2026.01.22
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SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation Summer Submission

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

Summer Drug Budget Transmittal

FDA provided the FY 2027 drug control budget submission to ONDCP on July 1, 2025. A copy of the submission is provided as an attachment to this memorandum.

Summer Drug Budget Resource Summary Table

FDA provided the following resource summary table to ONDCP as part of its summer budget resource submission.

	Budget Authority (in millions)			
	FY 2025	FY 2026	FY 2027	FY 2027
	Operating	President's Budget	Lower Level	Flat Level
Drug Resources by Budget Decision Unit and Function				
Center for Drug Evaluation and Research				
Research and Development: Treatment & Prevention	\$23.50	\$23.50		
<i>Harm Reduction (non-add)</i>	\$10.00	\$10.00		
Center for Device and Radiological Health				
Research and Development: Treatment & Prevention	\$1.50	\$1.50		
Office of Inspections and Investigations				
Interdiction	*	\$42.29		
Office of the Chief Scientist				
Interdiction	*	\$11.71		



Office of Operations				
Interdiction	*	\$0.50		
Total Drug Resources by Function	\$25.00	\$79.50		
Drug Resources by Decision Unit				
Center for Drug Evaluation and Research	\$23.50	\$23.50		
Center for Devices and Radiological Health	\$1.50	\$1.50		
Office of Inspections and Investigations	*	\$42.29		
Office of the Chief Scientist	*	\$11.71		
Office of Operations	*	\$0.50		
Total Drug Resources by Decision Unit	\$25.00	\$79.50		
Drug Resources Personnel Summary				
Total FTEs (direct only)	196	196		
Drug Resources as a Percent of Budget				
Total Agency Budget (in Billions)	\$3.580	\$3.170		
Drug Resources percentage	0.70%	2.51%		

**Consistent with the 2025 operating plan, funding levels are displayed for statutory PPAs. This activity is not intended to be separate PPA for 2025 and is rolled up within the account.*

**On October 15, FDA submitted a breakout distinguishing treatment and prevention. This breakout will be included in future budget submissions*

Timeliness of Summer Budget Submission

I assert that FDA provided the FY 2027 drug control budget submission to HHS on June 30 and provided to ONDCP on July 1, consistent with the agency's internal review process.

Funding Levels Represent Bureau-Level Request

I assert that the information provided in FDA's FY 2027 drug control budget submission was the same as what was provided to the Department of Health and Human Services (HHS) and was provided to ONDCP without alteration or adjustment by HHS.

Benjamin Moncarz
Chief Financial Officer



DRUG CONTROL

	Budget Authority (in millions)			
	FY 2025	FY 2026	FY 2027	FY 2027
	Operating	President's Budget	Lower Level	Flat Level
Drug Resources by Budget Decision Unit and Function				
Center for Drug Evaluation and Research				
Research and Development: Treatment & Prevention	\$23.50	\$23.50		
<i>Harm Reduction (non-add)</i>	\$10.00	\$10.00		
Center for Device and Radiological Health				
Research and Development: Treatment & Prevention	\$1.50	\$1.50		
Office of Inspections and Investigations				
Interdiction	*	\$42.29		
Office of the Chief Scientist				
Interdiction	*	\$11.71		
Office of Operations				
Interdiction	*	\$0.50		
Total Drug Resources by Function	\$25.00	\$79.50		
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Center for Devices and Radiological Health	\$1.50	\$1.50		
Office of Inspections and Investigations	*	\$42.29		
Office of the Chief Scientist	*	\$11.71		
Office of Operations	*	\$0.50		
Total Drug Resources by Decision Unit	\$25.00	\$79.50		
Drug Resources Personnel Summary				
Total FTEs (direct only)	196	196		
Drug Resources as a Percent of Budget				
Total Agency Budget (in Billions)	\$3.580	\$3.170		
Drug Resources percentage	0.70%	2.51%		

*Consistent with the 2025 operating plan, funding levels are displayed for statutory PPAs. This activity is not intended to be separate PPA for 2025 and is rolled up within the account.

PROGRAM SUMMARY

Mission

The Food and Drug Administration (FDA) is the Agency within the U.S. Department of Health and Human Services (HHS) responsible for protecting and promoting public health by ensuring the safety, effectiveness, and security of human and animal drugs, biological products, and medical devices; ensuring the safety of human and animal food, cosmetics, and radiation emitting products; and regulating tobacco products. FDA's customers and key stakeholders include American patients and consumers; healthcare professionals; veterinarians; regulated



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industry; academia; and, state, local, federal, and international governmental agencies.

The Agency recognizes that the nation continues to face a multifaceted drug overdose crisis that has evolved beyond prescription opioids. In recent years illicit opioids, largely driven by fentanyl and its analogues, have become key contributors to the overdose crisis. Other controlled substances, including benzodiazepines and stimulants (particularly methamphetamine), are also being used in combination with opioids. FDA is taking action on emerging substances of concern, such as xylazine and tianeptine.

FDA also recognizes the risks of prescription opioids and other controlled substances as well as the benefits of these drugs for patients who need them, including those with debilitating chronic conditions. It will take carefully developed, coordinated, and sustained action by multiple stakeholders to reduce the incidence of drug misuse, abuse, addiction, overdose, and death, while preserving appropriate access to these drugs for patients who need them. Doing our part to ensure the safe use of prescription opioids and other controlled substances and ameliorate the overdose crisis is among FDA's highest priorities.

The FY 2027 drug control budget aligns to the HHS planned reorganization, which will save taxpayer dollars and streamline the functions of the Department in order to end our country's chronic illness epidemic. Additionally, it aligns with the Office of National Drug Control Policy's April 2025 Statement of Drug Policy Priorities.

Methodology

FDA identified the drug control budget by using the dedicated budget authority for activities involving prescription opioids and other controlled substances. This includes opioids dedicated base activities conducted by the Center for Drug Evaluation and Research (CDER), the Center for Devices and Radiological Health (CDRH), the Office of Inspections and Investigations (OII), the Office of the Chief Scientist (OCS) and the Office of Operations (OO).

BUDGET SUMMARY

[REDACTED]

Some of CDER's recent research initiatives include:

- Advancing the development of multiple evidence-based clinical practice guidelines on management of acute dental pain, management of post-operative pain in obstetric patients who have undergone surgery, management of post-operative pain in patients



who have undergone laparoscopic abdominal surgeries, management of acute low back pain, and safe tapering of benzodiazepines; the first four guidelines are part of SUPPORT Act Sec. 3002 implementation.

- Supporting the development and regulatory assessment of new and generic opioid overdose reversal agents, including naloxone, and exploring strategies to optimize the use of approved opioid overdose reversal agents.
- Conducting a preliminary assessment of kratom safety, pharmacokinetics, and pharmacodynamics characteristics.
- Assessing xylazine pharmacology, abuse potential, and impact on wound formation when co-administered with fentanyl.
- Exploring the scope of use, potential safety risks, and access issues regarding racemic ketamine for emerging therapeutic areas, such as mental health disorders and pain.
- Funding a National Academies of Sciences, Engineering, and Medicine workshop on diagnosing and treating adult attention-deficit/hyperactivity disorder (ADHD), as well as Agency for Healthcare Research and Quality evidence-based reports on the diagnosis and treatment of ADHD and the misuse of prescription stimulants in adults.
- Exploring efforts to accelerate treatment development for post-traumatic stress disorder, including psychedelic drug development.
- Examining the transitions from medical use of prescription stimulants and opioids to risks such as nonmedical use, illicit drug use, and substance use disorders.

FDA-supported research initiatives have enhanced our understanding of appropriate use of prescription opioids for pain treatment, as well as risks and mitigating factors to address opioid misuse, abuse, overdose, and death. However, the high rates of fatal overdose involving synthetic opioids, other substances with abuse potential, polysubstance use, and the enduring impact of the COVID-19 pandemic indicate further work is needed to address the overdose crisis.

[REDACTED]

[REDACTED]

[REDACTED]

CDRH completed a patient preference study for people living with OUD, including a literature review, focus groups, and a quantitative study. The results are in peer review for publication. In addition, CDRH used funding to collaborate with the Research Triangle Center for Excellence in Regulatory Science. This project is aimed at determining how sensor-based DHTs can be used to assess for risk of relapse in OUD. This work continued through FY 2025 with a completed patient survey and systematic review of relapse determinants in OUD. The latter is being considered for publication. CDRH funded the next phase of the project beginning September 2024: a pilot study with patients using sensor-based DHTs to assess relapse risk. This study has begun recruiting patients.

CDRH continues to encourage the development of new and innovative medical devices to broaden the number of options and increase the effectiveness of OUD treatment during FY 2025, including:

- Research, engagement, and partnership with academic and community medical centers and others for development of digital health technologies for OUD.



- Leveraging real-world data to inform medical device regulatory decision making by improving premarket assessment.
- Leveraging post-market surveillance data of devices used to assess, monitor, treat and manage OUD.

Going forward, CDRH will build upon these efforts by using the funds to:

- Leverage real world data to support novel, digitally derived endpoint development and pilot the use of real-world performance to further understand how digital health technologies can support the effective treatment of OUD.
- Continue research, engagement, and partnership with academic medical centers and others for the development of digital health technologies for OUD.
- Use data gathered on patient preferences to help inform clinical trial design and assist in fostering shared decision-making for clinicians treating people living with OUD.



While CBP leads the interception of illegally imported controlled substances, Office of Import Operations (OIO) staff, with support from the Office of Regulatory Science (ORS), play a crucial role in removing unapproved, adulterated, misbranded, or otherwise impermissible drug products from the U.S. market. Through the first three quarters of FY 2024, FDA staff reviewed more than 66,500 products entering the United States via international mail. During this period, FDA refused admission of over 39,600 drug products, successfully preventing over eight million pieces, tablets, and capsules of unapproved drugs (including opioids) from entering the United States. Of these refused drug products, over 32,000 impermissible drug products, representing seven million pieces, tablets, and capsules, were destroyed by FDA. FDA's activities have resulted in recommending ten active pharmaceutical ingredients (APIs) be added to the list for administrative destruction under section 801(u) of the Act in FY 2024.

Since the inception of the National Operational Strategy, FDA import staff (in collaboration with CBP) have conducted twenty-three operations that successfully intercepted over 604,000 tablets and capsules of unapproved drugs (including opioids) from entering U.S. commerce. In conjunction with this work, FDA import staff have intercepted 764 products that have been referred to CBP for enforcement follow-up. FY 2024 NOS consists of thirteen operations and concluded on July 26th, 2024.

Additionally, FDA continues to enhance our collaboration and data integration with USPS. FDA and USPS formalized a Memorandum of Understanding (MOU) to streamline administrative and procedural aspects concerning goods imported through postal channels. This



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MOU allowed the USPS and FDA to develop an electronic international mail data exchange system tailored for parcels processed at IMFs. This exchange system promises heightened productivity and targeting capacity and supports our efforts to combat illicit and illegal drug importation. In May 2024, FDA and USPS jointly implemented this bilateral interface to exchange postal data more effectively for examined parcels.

To augment the numerous efforts of the Agency in the fight against prescription opioid abuse and misuse, sample collection assignments to survey the quality of the pharmaceutical supply chain were issued to OII field divisions. The opioid quality assignments are intended to survey the pharmaceutical supply chain (e.g., manufacturers of drugs and drug products, including repackagers) of opioid products, as well as opioid agonists and antagonists (opioid products) to identify potential quality risks or economically motivated adulteration in the supply chain.

In FY 2024 OII completed several targeted investigation assignments to collect evidence to determine whether a firm has manufactured/distributed/sold tianeptine products and the source of those tianeptine products (including import sources).

FDA's efforts to combat the opioid crisis includes criminal investigations by OII's Office of Criminal Investigations (OCI). OCI continues to bring to justice medical professionals who misuse their unique position and compromise public health by tampering with opioids intended for patients. In April 2024, because of OCI's investigation, a nurse was sentenced to two years in prison by a federal judge for tampering with morphine intended for patients, including those in hospice care. In at least one instance, a patient's family members observed the patient suffering during what would end up being some of the final moments before dying. These investigations are supported by the National Forensic Chemistry Center (NFCC), where the mechanism of product tampering, the extent of active ingredient dilution, and the contents of the diluent, are determined.

Furthermore, OCI targets online marketplaces and vendors that sell counterfeit opioids. Through an initiative dubbed "Operation CyberPharma," OCI's investigations have led to the arrest of 65 darknet vendors, 40 convictions, the takedown of a major darknet marketplace, and the seizure of more than \$8.4 million in virtual currencies, drug counterfeiting tools and other assets.

In FY 2025 with the reorganization of FDA, OII's Office of Regulatory Sciences was moved to the Office of Chief Scientist (OCS). Updates for this program are below.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



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Scientists from the NFCC are working with counterparts from CBP's Laboratories and Scientific Services (LSS) and Drug Enforcement Agency's (DEA) Special Testing Laboratory to establish a program to generate chemical attribution information or chemical fingerprints of counterfeit and illicit opioid tablets and other emerging hazardous illicit drugs. This agreement between the three organizations has been formally expressed in a Memorandum of Understanding. The current program called INTREPID (Intelligence National Threat Response-El Paso Illicit Drug) enables laboratories from the three agencies to share and leverage vast technical knowledge and intelligence from three diverse perspectives. The data derived from INTREPID offers investigators and the intelligence community in-depth analysis of seized materials to provide trafficking linkages and geo-sourcing of illicit drugs and precursor materials. The two current high priority INTREPID projects include analysis and comparison of seized counterfeit tablets containing fentanyl, seized fentanyl powders, and the analysis of xylazine. To date 64 samples of seized tablets containing fentanyl and fentanyl powders have been received by NFCC from CBP and are in the process of being analyzed. Results generated by NFCC analyses are being shared and combined with the results generated by CBP and DEA. NFCC, CBP and DEA scientists meet bi-weekly to discuss on going sample analysis, share data on samples analyzed and share information on new emerging illicit drug threats. Eventually, the INTREPID program will be based at EPIC (El Paso Intelligence Center, Ft. Bliss), where scientists from each of the three agencies will be co-located, eliminating the need to split and ship evidence. Planning for the renovation space and build out of the laboratory at EPIC is in progress.

In FY 2024, the New York satellite laboratory opened. Since inception, NFCC satellite laboratories have examined more than 2,000 products. FDA compliance has taken regulatory action on 1,699 of these. Over 95 percent of these potentially dangerous products, consisting of over 740,762 lot units, were destroyed or refused entry into the United States. In FY 2024 alone, NFCC satellite laboratories examined 872 products and FDA compliance has taken regulatory action on 610 of these products. Over 92 percent of these potentially dangerous products consisting of nearly 152,886 lot units were destroyed or refused entry into the United States.

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]



DEPARTMENT OF HEALTH & HUMAN SERVICES

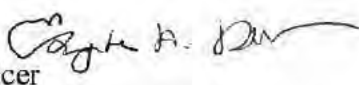
Health Resources and Services
Administration

Rockville, MD 20857

DATE: February 17, 2026

TO: Director
Office of National Drug Control Policy

THROUGH: Theresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

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

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

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

Obligations by Budget Decision Unit

I assert that the obligations reported by budget decision unit are estimated fiscal year (FY) obligations for HRSA's drug control programs and are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7, for calculating drug control funding against HRSA's financial accounting system for these Budget Decision Units.

Drug Methodology

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

material respects, aggregate obligations from which drug-related obligation estimates are derived.

Application of Drug Methodology

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

Material Weakness or Other Findings

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

Methodology Modifications

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

Reprogramming or Transfers

I assert that the data presented are associated with obligations against HRSA's financial plan. HRSA has no reportable reprogrammings or transfers in FY 2025 related to drug-control obligations.

Fund Control Notices

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Detailed Accounting Report

Resource Summary

Budget Authority (in millions)		
	FY 2025 Enacted	FY 2025 Obligated
Drug Resources by Budget Decision Unit and Function:		
Health Center Program		
Prevention	\$73.100	\$73.100
Treatment: Recovery	\$657.900	\$657.900
Total, Health Center Program	\$731.000	\$731.000
National Health Service Corps SUD Workforce Program		
Treatment: Recovery	\$104.600	\$104.600
Total, National Health Service Corps SUD Workforce Program	\$104.600	\$104.600
Addiction Medicine Fellowship Program		
Treatment: Recovery	\$25.000	\$25.000
Total, Addiction Medicine Fellowship Program	\$25.000	\$25.000
SUD Treatment and Recovery Loan Repayment Program		
Treatment: Recovery	\$40.000	\$40.000
Total, SUD Treatment and Recovery Loan Repayment Program	\$40.000	\$40.000
Rural Communities Opioid Response Program		
Prevention	\$75.400	\$75.400
Treatment: Recovery	\$69.600	\$69.600
Total, Rural Communities Opioid Response Program	\$145.000	\$145.000
Total Funding	\$1,045.600	\$1,045.600
HIDTA Transfer	---	---
ICDE Resources	---	---
Drug Resources Personnel Summary		
Total FTEs (direct only)	---	---
Drug Resources as a Percent of the Budget		
Total Agency Budget (in billions)	\$12.2	\$12.2
Drug Resources Percentage	8.6%	8.6%

METHODOLOGY

Health Center Program

The FY 2025 Enacted level continues awards issued in prior fiscal years that support substance use disorder (SUD/mental health (MH)) service expansion for the Health Center Program. The SUD/MH funding initiated in prior fiscal years and incorporated in annual health center continuation awards is scored as drug control funding.

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

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

Addiction Medicine Fellowship (AMF) Program

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

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

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

Rural Communities Opioid Response Program (RCORP)

The allocation of funds for RCORP is through competitive grants and cooperative agreements. The entirety of these programs is scored as drug control funding.

The prevention-treatment split for FY 2025 reflects the enacted budget level.

METHODOLOGY MODIFICATIONS

N/A

MATERIAL WEAKNESSES OR OTHER FINDINGS

N/A

REPROGRAMMINGS OR TRANSFERS

N/A

OTHER DISCLOSURES

N/A



DATE: February 18, 2026

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

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Jillian Curtis
Chief Financial Officer
Indian Health Service

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

Christopher
L. Porter -S

Digitally signed by
Christopher L. Porter -S
Date: 2026.02.18
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In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) *Circular Accounting of Drug Control Funding and Performance Summary*, I make the following assertions regarding the attached annual accounting of drug control funds for the Indian Health Service (IHS).

Detailed Accounting Report.

a. Drug Control Funding Obligations –

(1) **Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function** – Attachment 1 - Table of Prior Year Drug Control Obligations, displays all drug control budget authority appropriated or otherwise available and obligations against that budget authority for FY 2025.

(2) **Drug Methodology** – The drug methodology provides a detailed description of how the IHS calculates drug control funding levels reported to ONDCP by decision unit and function as presented in Attachment 2 - Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573.

I have documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review), and determined that the financial systems supporting the drug

methodology yield data that present fairly, in all material respect, aggregate obligations from which drug-related obligation estimates are derived.

The IHS methodology for estimating the drug control budget was established using the amounts appropriated for the Alcohol and Substance Abuse Prevention programs authorized under Public Law (P.L.) 102-573, the Indian Health Amendments of 1992. See the attached table “Alcoholism and Substance Abuse Treatment and Prevention Program authorized under P.L. 102-573” for a list of programs. Attachment 2 - Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573 reflects amounts calculated via a historical formula based on the previous year’s totals. When originally authorized and appropriated, the funds were allocated to Tribes in their Indian Self-Determination contracts and compacts by specific programs. However, when the programs were reauthorized and captured under P.L. 102-573, some IHS Area offices allocated the funds in lump sum while others maintained the specific program breakout. Therefore, at the current time, precise amounts of funding for each program are not available. The table is maintained to estimate the current funding of the National Drug Control Policy level and is the basis of the drug budget control methodology. Excluded is the amount for the Adult Treatment programs, which represents the original authorization for IHS to provide alcohol treatment services. The focus on alcoholism treatment is the reason for the exclusion.

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

Drug Resources by Function: Under the methodology, two programs through FY 2007 were identified as Prevention programs and Treatment programs. 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.

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

(3) Methodology Modifications – None

(4) Material Weaknesses or Other Findings – None

(5) Reprogrammings or Transfers – None

(6) Other Disclosures – None

b. Assertions –

(1) Obligations by Budget Decision Unit

I assert that obligations reported by the budget decision unit are the actual obligations from the Unified Financial Management System (UFMS), the agency's accounting system of record for these budget decision units, consistent with the drug budget methodology discussed below. (See Attachment 1.)

(2) Drug Methodology

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

The IHS methodology for estimating the drug control budget was established using the amounts appropriated for the Alcohol and Substance Abuse Prevention programs authorized under Public Law (P.L.) 102-573, the Indian Health Amendments of 1992. (See Attachment 2 - "Alcoholism and Substance Abuse Treatment and Prevention Program authorized under P.L. 102-573" for a list of programs). This table reflects estimated amounts. When originally authorized and appropriated, the funds were allocated to Tribes in their Indian Self-Determination contracts and compacts by specific programs. However, when the programs were reauthorized and captured under P.L. 102-573, some IHS Area offices allocated the funds in lump sum while others maintained the specific program breakout. Therefore, at the current time, precise amounts of funding for each program are not available. The table reflects amounts calculated via a historical formula based on the previous year's totals and is the basis of the drug budget control methodology. Excluded is the amount for the Adult Treatment programs, which represents the original authorization for IHS to provide alcohol treatment services. The focus on alcoholism treatment is the reason for the exclusion.

Drug Resources by Decision Unit: The IHS drug control funds are appropriated in two budget line items: 1) Alcohol and Substance Abuse (ASA), and 2) Urban Indian Health Programs (UIHP). The ASA funds are primarily allocated to Tribes under their Indian Self-Determination contracts and compacts, where they manage the programs and have the authority to reallocate funds to address local priorities. The portion of the alcohol

fund included in the drug control budget methodology is as described above, i.e., the entire budget excluding the amount for adult treatment. The UIHP funds are allocated through contracts and grants to 501(c)(3) organizations. The portion of UIHP funds included in the drug control budget methodology is for the National Institute on Alcohol Abuse and Alcoholism programs transferred to the IHS under the UIHP budget.

Drug Resources by Function: Under the methodology, two programs through FY 2007 were identified as Prevention programs and Treatment programs. 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.

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

(3) Application of Drug Methodology

I assert that the drug methodology disclosed in Section 7.a.(2) of the ONDCP Compliance Review Circular was the actual methodology used to generate the table required by Section 7.a.(1) of the ONDCP Compliance Review Circular.

(4) Material Weaknesses or Other Findings

I assert there were no material weaknesses or other findings for FY 2025.

(5) Methodology Modifications

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

(6) Reprogramming or Transfers

I assert that the data presented are associated with obligations against a financial plan and data were not revised during the fiscal year.

(7) Funds Control Notices

I assert that the IHS data presented are associated with obligations against a financial plan and that IHS was not issued any Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.

Attachments:

1. Table – FY 2025 Drug Control Obligations
2. Table – Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573

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

Indian Health Service
Detailed Accounting Report 7a(1)

Budget Authority (in Millions)			
	FY 2025 Final	FY 2025 Obligations	FY 2026 Annualized CR
Drug Resources by Function ¹			
Treatment - ASA ³	103.597	67.907	103.819
Treatment - Urban	3.292	3.292	3.292
Prevention - ASA ²	37.335	34.819	37.371
Total Drug Resources by Function	144.224	106.018	144.482
Drug Resources by Function			
Alcohol and Substance Abuse ¹	140.932	102.726	141.190
Urban Indian Health Program	3.292	3.292	3.292
Total Drug Resources by Function	144.224	106.018	144.482
¹ 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. ² All prevention funds are ASA, there are no urban funds under prevention. ³ Alcohol and Substance Abuse			

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

Amount of Funds	FY 2024 Final	FY 2025 Full Year CR	FY 2026 Annualized CR	Drug Control & Moyer Reports
ALCOHOL & SUBSTANCE ABUSE				
Adult Treatment.....	\$125,761	\$125,839	\$126,191	Excluded*
Regional Treatment Centers.....	\$25,971	\$25,988	\$26,060	Treatment
Community Education & Training.....	\$11,678	\$11,686	\$11,718	Prevention
Community Rehabilitation/ Aftercare.....	\$37,935	\$37,959	\$38,065	Treatment
Gila River.....	\$290	\$291	\$291	Treatment
Contract Health Service.....	\$13,354	\$13,362	\$13,400	Treatment
Navajo Rehab. Program.....	\$514	\$514	\$516	Treatment
Urban Clinical Services.....	\$1,095	\$1,095	\$1,098	Treatment
Wellness Beyond Abstinence.....	\$1,262	\$1,262	\$1,266	Prevention
Substance Abuse Prev & Treatment 3/.....	\$48,775	\$48,775	\$48,775	50/50 Tx & Prev
Total 4/.....	\$266,635	\$266,771	\$267,381	
URBAN HEALTH PROGRAM 1/				
Amount of Funds	FY 2024 Final	FY 2025 Full Year CR	FY 2026 Annualized CR	
Expand Urban Programs.....	\$3,445	\$3,292	\$3,292	Treatment
INDIAN HEALTH FACILITIES 2/				
Amount of Funds	FY 2024 Final	FY 2025 Full Year CR	FY 2026 Annualized CR	
Construction.....	\$0	\$0	\$0	
Alcohol/Substance Abuse.....	\$266,635	\$266,771	\$267,381	
Urban Health Program.....	3,445	3,292	3,292	
Facilities Construction.....	0	0	0	
GRAND TOTAL.....	\$270,080	\$270,063	\$270,673	

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.

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

4/ FY 2026 adjusted for rounding.

*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.



DATE: February 18, 2026
TO: Director
Office of National Drug Control Policy (ONDCP)

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

FROM: Jillian Curtis
Chief Financial Officer
Indian Health Service

Christopher
L. Porter -S

Digitally signed by
Christopher L. Porter -S
Date: 2026.02.18
14:55:19 -05'00'

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation Summer Submission

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

a. Summer Budget Formulation Information – Each report shall include the sections described below that provide:

- (1) **Summer Drug Budget Transmittal** – IHS submitted the summer drug budget to ONDCP on June 30, 2025, under ONDCP Circular: Budget Formulation, Section 9.a.(1).
- (2) **Summer Drug Budget Resource Summary Table** – Attachment 1 is a copy of the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2).

b. Assertions Summer Budget Formulation

(1) Timeliness of Summer Budget Submission

I assert that the summer drug budget submitted to ONDCP on June 30, 2025, reported in Section 6.a.(1) of the ONDCP Compliance Review Circular was provided to ONDCP at the same time as that budget request was submitted to our superiors in accordance with 21 U.S.C. § 1703(c)(1)(A) (Attachment 1).

(2) Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission provided in Section 6.a.(2) of the ONDCP Compliance Review Circular represents the funding levels in the budget submission made by the IHS to the Department of Health and Human Services without alteration or adjustment by any official at the Department.

Attachment:

1.FY 2027 Summer Drug Budget Submission

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Indian Health Service
Drug Control Budget
FY 2027

Budget Authority (in Millions)				
	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Flat Level	FY 2027 Initiative Level
Drug Resources by Function ¹				
Treatment - ASA	103.597	103.827		
Treatment - Urban	3.292	3.292		
Prevention	37.335	37.373		
Total Drug Resources by Function	144.224	144.492		
Drug Resources by Program				
Alcohol and Substance Abuse ¹	140.932	141.200		
Urban Indian Health Program	3.292	3.292		
Total Drug Resources by Program	144.224	144.492		
Drug Resources Personnel Summary				
Total FTEs (direct only)	171	171		
Drug Resources as Percent of Budget				
Agency Budget	6,987.520	7,908.520		
Drug Resources Percentage	2.07%	1.83%		
¹ 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.				

MISSION

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

METHODOLOGY

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

BUDGET SUMMARY

In FY 2027, the IHS budget request for its drug control activities supports the Office of National Drug Control and Policy (ONDCP) funding priorities as well as the ONDCP *Strategy*. The *Strategy* emphasizes the partnership between Federal agencies and their state, local, Tribal, and international counterparts and reduce drug-induced mortality. IHS is also working with Federal partners to implement ONDCP's efforts to address the current crisis.

The Administration's ONDCP *Strategy*¹ guides and expands Federal government efforts to:

- 1) Reduce the number of overdose fatalities, with a focus on fentanyl ;
- 2) secure the global supply chain against drug trafficking
- 3) stop the flow of drugs across our borders and into our communities;
- 4) prevent drug use before it starts
- 5) provide treatment that leads to long-term recovery;
- and 6) innovate in research and data to support drug control strategies.

The *Strategy* offers a valuable opportunity for IHS to advance its mission by strengthening existing programs to control and reduce substance use and eliminate its deleterious effects on the health and safety of AI/AN patients and communities.

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

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

The IHS Division of Behavioral Health administers community-based grants that promote the use and development of evidence-based and practice-based models that represent culturally-appropriate prevention and treatment approaches to substance misuse from a community-driven context.

Expanding Access to Evidence-Based Treatment:

Increasing Access to Medications for Opioid Use Disorder: Since 2019, IHS has required federal IHS facilities to create an action plan to identify or create local medication-assisted treatment resources and coordinate patient access to these services when indicated.² Key components of

¹ [ONDCP Releases Trump Administration's Statement of Drug Policy Priorities – The White House](#)

² <https://www.ihs.gov/ihtm/sgm/2019/assuring-access-to-medication-assisted-treatment-for-opioid-use-disorder/>

these approaches include enhanced screening and early identification of opioid use disorders; improved care coordination and patient referral for treatment; and workforce development strategies to increase education and resources surrounding using medications in the support of recovery. In addition, the IHS created workforce development strategies³ that include SUD training for healthcare workers and technical assistance materials to support sites with creating integrated SUD approaches to care. IHS has partnered with the Northwest Portland Area Indian Health Board and the Clinician Consultation Center to facilitate IHS/Tribal/Urban (I/T/U) clinician access to free Substance Use Disorder tele-consultation services. These services are intended to assist clinicians with patient treatment planning, facilitate didactic learning, and provide support for health systems that desire to create local protocols.

The IHS also supports enhanced team-based care approaches. In 2025, the IHS will continue the “Advancing Pharmacist Roles in Substance Use Disorder Treatment and Recovery Teams ECHO⁴.” Participants increase knowledge surrounding patient screening, assessments, evidence-based practices for the management of Opioid Use Disorders, and trauma-informed care principles. Additionally, the IHS will expand an Academic Detailing Service pilot project to create tailored peer-to-peer interventions to support opioid stewardship activities, increase access to treatment services, and promote quality of care as well as to establish lifestyle medicine services.

The IHS does face challenges in providing Medications for Opioid Use Disorders (MOUD) in certain sectors within Indian Country. The rural and frontier nature of where AI/ANs live creates barriers to accessing health facilities. This is especially evident in Alaska where patients often have only access to a community health aide serving within a village-based clinic, and live hours away by plane from a larger health center. Additionally, IHS has felt the impact of a declining supply of specific health professionals who could support the IHS workforce and address behavioral health needs. The IHS recognizes that telemedicine is one tool for increasing access to specialized medical services, such as MOUD. The IHS has published a policy in the Indian Health Manual (Chapter 38) entitled *Internet Eligible Controlled Substance Prescriber Designation* to assure access to MAT using telemedicine models for remotely located Tribal members.⁵

In FY 2025, the IHS Pain and Addiction Care in the Emergency Department (PACED) funds IHS emergency departments. The objective of this intervention is to improve access to Medications for Opioid Use Disorder (MOUD) or improve pain management outcomes in acute care settings. Secondary objectives are to leverage the opioid surveillance dashboard to inform stewardship activities, to create a learning collaborative to share promising practices, and to assist sites with obtaining relevant accreditation. In FY 2023, the IHS emergency departments (EDs) received training from the American College of Emergency Physicians (ACEP) to identify and develop new systems of care and best practices to improve addiction and pain treatment outcomes in the ED by improving patient screening and increasing access to MOUD. The IHS has also collaborated to produce a cultural adaptation of best practices for Plans of Safe Care/Family Wellness Plans for pregnant persons who use substances. This cooperative project shares best practices for providers and sample patient resources to improve outcomes for pregnant persons and families.

³ <https://www.ihs.gov/opioids/trainingopportunities/>

⁴ <https://www.ihs.gov/opioids/recovery/providers/>

⁵ <https://www.ihs.gov/ihtm/pc/part-3/chapter-38-internet-eligible-controlled-substance-provider-designation/>

IHS Opioid Grant Program: In FY 2021, IHS awarded a total of \$16 million in grants to combat the opioid crisis⁶. IHS awarded thirty-five grants under the Community Opioid Intervention Pilot Project (COIPP) for AI/ANs. In FY 2025, IHS awarded a new cohort of grantees to develop innovative, locally-designed, culturally-appropriate prevention, treatment, recovery, and aftercare services for opioid use disorders. The projects will focus on increasing public awareness and education about the impact of MOUD on individuals, families and communities; and create comprehensive support teams to strengthen and empower families addressing the opioid crisis. Finally, all projects will prioritize efforts to reduce unmet needs and opioid overdose deaths through increased access to MOUD.

IHS Substance Abuse and Suicide Prevention (SASP): The SASP is a nationally-coordinated \$31.97 million program providing funds for culturally appropriate substance abuse and suicide prevention programming in AI/AN communities. In FY 2023 the IHS continued awards through two separate opportunities under SASP⁷. The first, Substance Abuse Prevention, Treatment, and Aftercare (SAPTA), awarded \$15.698 million to 36 Tribal, Tribal organizations, and Urban Indian Organizations and eight federal IHS facilities. The second, Suicide Prevention, Intervention, and Postvention (SPIP), awarded \$13.772 million to 36 Tribal, Tribal organizations, and Urban Indian Organizations. The program will fund 174 projects for a period of five years ending in FY 2027.

IHS established the Universal Alcohol Screening (UAS) as a national measure to increase screening and improve detection and intervention strategies among patients 9 through 75 years of age. In FY 2024, 34.4 percent of patients were screened and IHS screening efforts exceeded the national target rate of 32.2 percent. For FYs 2025 and 2026, the national target rates for UAS are set at 36.0 percent.

The Substance Abuse and Suicide Prevention (SASP) Program funding is organized by two grant programs, Substance Abuse Prevention, Treatment, and Aftercare (SAPTA) and Suicide Prevention, Intervention, and Postvention (SPIP). The first year of the FY 2022 SAPTA and SPIP programs demonstrated notable engagement with AI/AN persons in Indian Country. Among the 72 grant-funded partners, they completed 47,465 substance use screenings, including 8,372 specific to opioid use disorder. IHS encourages all grant-funded partners to report their substance use screening. Among the 113 total grant-funded partners across all programs, including violence prevention, they completed 71,108 substance use screenings, including 10,904 screenings for opioid use disorder. Among all partners, a total of 8,782 positive substance use screenings were referred for treatment, including 1,733 for opioid use disorder. A total of 905 cases were referred for medically-assisted treatment.

Preventing Alcohol-Related Deaths (PARD):

In the 2017 Senate Appropriations Committee Report 114-281, the Committee directed IHS to “allocate \$2,000,000 of the increase provided for the alcohol and substance abuse program to fund essential detoxification and related services.” Specifically, the report detailed the number of alcohol related deaths in the community of Gallup, New Mexico stating, “these deaths underscore the urgent need for substance abuse treatment, residential services and detoxification services” in this community. As a result, in FY 2023, funds were made available through a cooperative agreement to the City of Gallup, New Mexico⁸ to an alcohol detoxification center to address the

⁶ [Community Opioid Intervention Prevention Program | Alcohol and Substance Abuse Branch \(ASAB\) \(ihs.gov\)](#)

⁷ [About SASP | Substance Abuse and Suicide Prevention \(ihs.gov\)](#)

⁸ [IHS Highlights the City of Gallup for their Exemplary and Innovative Project in Support of National Recovery Month | September 2023 Blogs](#)

high rates of alcohol related deaths within McKinley County, New Mexico, and surrounding counties, which yield 48 percent of all alcohol-related death for AI/AN in the nation. The project period for this cooperative agreement is from FY 2023 – FY 2028.

Supporting Evidence-Based Prevention Efforts to Reduce Youth Substance Use:

IHS SASP - Generation Indigenous (Gen-I): Of the newly awarded 72 SASP, SAPTA and SPIP projects funded, IHS requires all interventions focused on substance use prevention, treatment, and aftercare and suicide prevention interventions to prioritize Native youth in the development and implementation of evidence-based practices.

Youth Regional Treatment Centers (YRTC): The YRTCs provide residential substance use disorder and mental health treatment services to AI/AN youth. The IHS received funding for 13 YRTCs located throughout the country with seven federally-operated centers and five tribally-operated centers and one UIO. The YRTCs provide quality holistic behavioral health care for AI/AN adolescents that integrate traditional healing, spiritual values, and cultural identification.

YRTC Aftercare Project: YRTCs have an important role in maintaining the health of patients after discharge. In FY 2017-2022, IHS supported a YRTC Aftercare Pilot Project to develop culture-based treatment that prevents alcohol and substance abuse relapse among youth discharged. In FY 2023, IHS released an evaluation that examined the capacities and challenges in improving coordination of aftercare and case management, increasing training of community supports for the adolescents, improving identification of transitional living, increasing awareness of the use of treatment engagement through social media, and improving follow-up with data collection after discharge. In FY 2023, the IHS awarded⁹ the Cherokee Nation's Jack Brown Center, a Tribal-operated YRTC, to operate and refine an aftercare program, based on an amount of \$600,000 per year for five years which started November 14, 2022.

Enhancing Evidence-Based Harm Reduction Efforts:

The IHS has expanded access to harm reduction interventions that include increased access to the opioid overdose reversal medication, naloxone. IHS has also created a robust workforce development strategy to include didactic training. In FY 2023, the IHS continued its Pain Management and Opioid Use Disorder Continuing Medical Education webinar series¹⁰. The IHS has hosted learning sessions with approximately 600 attendees with majority of attendees receiving continuing education credits. The IHS has expanded access to harm reduction interventions that include increased access to the opioid overdose reversal medication, naloxone.

Additionally, the IHS has expanded the number of regional harm reduction mentors to assist sites with harm reduction implementation and expansion. In 2023, the IHS updated agency policy to expand to first-responder definitions to include community members and employees who are designated to immediately respond in an emergency in a variety of work settings such as schools, businesses, or other places where people gather. In addition, Naloxone tool kits were developed and released for community members and all schools.

The IHS continues to develop and share best practices surrounding expanded harm reduction activities including safe syringe services programs and fentanyl test strips. Sample patient

⁹ [Supporting American Indian and Alaska Native Youth Aftercare Treatment in Indian Country | November 2022 Blogs \(ihs.gov\)](#)

¹⁰ <https://www.ihs.gov/opioids/trainingopportunities/>

education resources, fact sheets, and recommendations have been developed and shared as technical assistance for sites and tribes.

In December 2023, the IHS announced the Naloxone Safety Net Program which supports expanded harm reduction activities and works to promote low-barrier access to naloxone. The two-year pilot program (\$500,000 annually) will support I/T/Us struggling to meet naloxone needs due to increased utilization and are meant to augment existing program naloxone forecasting.

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

IHS continues to support the integration of substance use disorder treatment into primary care and emergency services through its activities to implement the ONDCP *Strategy*. Integrating treatment services into outpatient primary care offers opportunities for healthcare providers to identify patients with substance use disorders, provide them with medical advice, help them understand the health risks and consequences, and refer patients with more severe substance use-related problems to treatment.¹¹ One integration activity is the Screening, Brief Intervention, and Referral to Treatment (SBIRT) method, which is an early intervention and treatment service for people with substance use disorders and those at risk of developing these disorders.

IHS has increased efforts to implement the SBIRT across IHS facilities as an evidence-based practice to identify patients with alcohol related problems. The SBIRT is a Government Performance and Results Act (GPRA) measure that IHS reports annually. In FY 2024, the SBIRT was administered to 17.9 percent of patient visits for those ages 9-75. IHS promotes the use of this clinical process by training providers in clinical and community settings and as an additional resource released an SBIRT training <https://www.ihs.gov/asap/providers/sbirt/>. In FY 2025, IHS is actively working to expand SBIRT resources and will include a focus on substance use in women of childbearing age, to assist in early identification and referral for treatment and reduce illicit perinatal substance exposure for infants.

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

The statistics facing AI/AN peoples for suicide, alcohol-related deaths, domestic and sexual violence, and homicide require the Indian health system to develop a system of comprehensive screening and effective intervention to reduce morbidity and early mortality. IHS supports changing the paradigm of mental health and substance abuse disorder services from being

¹¹ ONDCP. Integrating Treatment into Healthcare. Available at <http://www.whitehouse.gov/ondcp/integrating-treatment-and-healthcare>.

episodic, fragmented, specialty, or disease focused to incorporating it into the patient-centered medical home.

In FY 2022, IHS awarded 14 new BH2I grantees¹², totaling \$5.5 million, on a five-year funding cycle through FY 2027. Additionally, IHS awarded a technical assistance contract which will assist grantees in the implementation of integrated care efforts.

In FY 2025, IHS will continue support for seven federal facilities that currently participate in the Improving Pain and Addiction Care in IHS Emergency Departments (PACED) pilot project to develop model clinical care pathways following patient overdose resuscitation within EDs. Reflective of the Agency's priority to raise the mental health of the AI/AN population IHS Division of Behavioral Health initiatives have focused on increased implementation of depression screening in primary care clinics. In FY 2023, IHS reported 37.4 percent of AI/AN adults over the age of 18 screened for depression using a standardized screening assessment for depression. In FY 2023, this same measure was reported for youth ages 12-17 and data indicated 34.1 percent of eligible youth were screened for depression. The FY 2023 depression screening targets were met for the AI/AN population and anticipate an average 2.9 percent increase for both age cohorts in FY 2025.

While screenings remain critical to ensure that appropriate health services are available to AI/AN population, IHS acknowledges the importance of understanding a patient's life experiences in order to deliver effective care and improving treatment adherence. IHS released a trauma informed care policy to provide guidance to IHS facilities to improve patient engagement and health outcomes, as well as supporting provider and staff wellness. IHS continues to implement the principles of trauma informed care to ensure that those in its system understands the prevalence and role of trauma in patient care. As of December 2023, 96 percent of IHS staff have completed the trauma informed care on-demand, online training for clinical and non-clinical staff titled "Overview of Trauma Informed Care and Historical Trauma Guidance" in the HHS LMS. This training will provide guidance to IHS facilities in delivering trauma-informed care services along with promoting self-care to prevent secondary traumatic stress, which can lead to compassion fatigue and burnout. These efforts ensure that comprehensive, culturally appropriate services are provided and support the *Strategy's* priority to *advance racial equity issues in our approach to drug policy*.

Proper Pain Management, Opioid Stewardship and Training: In FY 2023, the IHS created and released a comprehensive Opioid Stewardship Campaign¹³ to support sites with creating best practices surrounding safe opioid prescribing and increasing access to integrative pain treatments. The campaign includes evidence-based documents, an automated workbook that emphasizes utilizing opioid surveillance strategies to evaluate population health outcomes, target opioid interventions, enhance clinical decision support, and create professional practice evaluation strategies. The IHS opioid stewardship program evaluation considers metrics related to opioid prescribing, harm reduction, and treatment access, metrics now made available for review at the local, regional and national level in the IHS Opioid Prescribing dashboard. The implementation of the dashboard will support Opioid Stewardship efforts through development of dashboard super-users within each IHS region that will apply population health/opioid stewardship principles and clinical decision support tools and facilitate end-user training.

¹² <https://www.ihs.gov/mentalhealth/bh2i/>

¹³ <https://www.ihs.gov/opioids/trainingopportunities/>

The IHS Educational Outreach Pilot Program championed the development of a pain management and opioid stewardship campaign that will support peer-to-peer interventions and evidence-based training to promote quality of care.

In FY 2023, 301 clinicians completed the Essential Training on Pain and Addiction and the Refresher Training on Pain and Addiction course¹⁴. An updated IHS Essential Training on Pain and Addiction was released in September 2023. This training is an on-demand, three-hour training with continuing education to align with evidence-based guidelines for pain management and OUD. IHS also reports approximately 600 attendees for the FY 2023 IHS Pain and Opioid Use Disorder Webinar Series.

Information Systems Supporting Behavioral Health Care: IHS released enhanced clinical decision support tools for the Resource and Patient Management System (RPMS) to assist providers in meeting documentation standards outlined in IHM, Part 3 - Chapter 30. The EHR Reminders and dialog note templates facilitate accurate and timely documentation to support best practices and implementation of pain management policy requirements. In FY 2025, IHS will continue efforts to standardize instruments and clinical decision support tools within the IHS EHR to support routine and effective screening for alcohol and substance use disorder and other behavioral health disparities. Data will be maintained to support local, national and other program reporting requirements as well as quality performance measurements for numerous screening and prevention initiatives.

Increase Mandatory Prescriber Education and Continuing Training on Best Practices and Current Clinical Guidelines: The IHS implemented the “Chronic Non-Cancer Pain Management Policy¹⁵” to promote appropriate pain management as a primary prevention tool. In February 2018, IHS released a revised policy¹⁶ to include clinical practice guidelines contained in the 2016 *CDC Guideline for Prescribing Opioids for Chronic Pain*. This revised policy adopts CDC guidance and specifically requires IHS sites to establish and implement local chronic non-cancer pain protocols and procedures; requires prescribers to complete training on appropriate and effective use of controlled substance medications; and establishes the requirement to initiate opioid treatment as a shared decision between the prescriber and the patient to respect and support the patient’s right to optimal pain assessment and management.

Substance Use Disorder and Chronic Pain Case Resources and Consultation Services: To provide ongoing clinical support for providers, IHS, in partnership with the University of New Mexico Pain Center, provided a Substance Use Disorder and Chronic Pain ECHO¹⁷. ECHO is a case-based learning model in which consultation is offered through virtual clinics to healthcare providers by an expert team to share knowledge and elevate the level of specialty care available to patients.

The IHS released its “*Recommendations for Management of Acute Dental Pain*”¹⁸ for prescribing opioids for acute pain secondary to common general dentistry conditions and procedures. These guidelines limit opioid prescribing for patients who cannot safely use alternative pain medication. The guidelines also include a decision tree for pre- and post-operative pain management, as well as recommended dosage limits for analgesics based on the degree of anticipated operative pain.

¹⁴ [Ibid](#)

¹⁵ <https://www.ihs.gov/ihs/pc/part-3/p3c30/>

¹⁶ <https://www.ihs.gov/opioids/painmanagement/chronicpain/>

¹⁷ [2022 Hope Newsletters | HOPE Committee \(ihs.gov\)](#)

¹⁸ [Recommendations for Management of Acute Dental Pain \(ihs.gov\)](#)

The IHS collaborated to create content for a five-part CEU webinar series to influence dental prescribing practices and enhance screening for substance use disorders in general dentistry. In FY25, the IHS will update this guideline.

In March 2019, the IHS released the *Recommendations to the Indian Health Service on American Indian/Alaska Native Pregnant Women and Women of Childbearing Age with Opioid Use Disorder*¹⁹ developed in collaboration with the American College of Obstetricians and Gynecologists' (ACOG) Committee on American Indian and Alaska Native Women's Health.²⁰ This resource will help providers improve maternal participation in early prenatal care, improve screening for substance use disorder, and increase access to MAT for pregnant women and women of child-bearing age. The goal of these clinical recommendations is to foster relationships and improve awareness surrounding trauma-informed approaches to maternal opioid use that may lead to recovery, hope, and healing. Additionally, the IHS and the American Academy of Pediatrics Committee on Native American Child Health (CONACH) recently released the *Recommendations to the Indian Health Service on Neonatal Opioid Withdrawal Syndrome*²¹ that includes clinical recommendations on the prevention and management of neonatal opioid withdrawal syndrome.²² These recommendations provide standards of care for screening, diagnosing, support, and treatment of pregnant mothers and infants affected by prenatal opioid exposure.

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¹⁹ [IHS and AAP release clinical recommendations to improve care of American Indian, Alaska Native women and infants impacted by prenatal opioid exposure | 2019 Press Releases](#)

²⁰ https://www.ihs.gov/sites/opioids/themes/responsive2017/display_objects/documents/acogguidelines2018.pdf

²¹ [Recommendations to the Indian Health Service on Neonatal Opioid Withdrawal Syndrome \(ihs.gov\)](#)

²² https://www.ihs.gov/sites/opioids/themes/responsive2017/display_objects/documents/aapnowsrecommendationstoihs.pdf

²³ [Additional Training and Resources | Training Opportunities \(ihs.gov\)](#)

²⁴ <https://www.ihs.gov/opioids/trainingopportunities/additionaltraining/>

Information Systems Supporting Behavioral Health Care: IHS released enhanced clinical decision support tools for the Resource and Patient Management System (RPMS) to assist providers in meeting documentation standards outlined in IHM, Part 3 - Chapter 30. The EHR Reminders and dialog note templates facilitate accurate and timely documentation to support best practices and implementation of pain management policy requirements. In FY 2025, IHS will continue efforts to standardize instruments and clinical decision support tools within the IHS EHR to support routine and effective screening for alcohol and substance use disorder and other behavioral health disparities. Data will be maintained to support local, national and other program reporting requirements as well as quality performance measurements for numerous screening and prevention initiatives.

Enhanced communication during the opioid crisis response is vital to program development, policy implementation, and ongoing evaluation. The IHS created an Opioid Information Sheet²⁵ that serves as a public-facing logic model to share opioid-related measure, agency goals, and available resources for both clinicians and tribal stakeholders. The IHS opioid strategy and a host of available resources is housed on two IHS webpages that support a unified user experience in addition to publication of a quarterly opioid newsletter.

Increase Prescription Drug Monitoring Program (PDMP) Interoperability and Usage: The IHS has also implemented IHM Chapter 32 “State Prescription Drug Monitoring Programs²⁶” that establishes policy requirement for Federal facilities to participate with state-based Prescription Drug Monitoring Programs (PDMP). Controlled substance prescribers working in IHS federal-government-operated facilities must query state PDMP databases prior to prescribing opioids for pain treatment longer than seven days and periodically throughout chronic pain treatment. In FY 2019, IHS developed and released software programming to automate controlled substance dispensing reports to state-based PDMPs to near real-time reporting to improve the fidelity of IHS dispensing data in state PDMP databases. The IHS is in active software development and design for PDMP interoperability and integration into the IHS Electronic Health Record.

Reducing Availability of Illicit and Dangerous Drugs: The IHS supports the safe and effective disposal of unused pharmaceuticals at the enterprise level through the provision of reverse distributor services at Federal pharmacies for unopened expired controlled substances. The agency has participated in interagency efforts to support proper collection and disposal of pain medications. I/T/U pharmacies have continued to enroll as DEA collectors and to participate in prescription drug disposal efforts. A revision to the IHS medication disposal webpage was released in August 2022 and can be found:

<https://www.ihs.gov/opioids/harmreduction/medicationdisposal/>.

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

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

²⁵ [Opioids | Indian Health Service \(IHS\)](#)

²⁶ [Chapter 32 - State Prescription Drug Monitoring Programs | Part 3 \(ihs.gov\)](#)



Urban Indian people who live in urban centers present a unique morbidity and mortality profile. Urban Indian populations suffer disproportionately higher mortality from certain causes in sharp contrast to mainstream society. These unique challenges require a targeted response. Existing UIOs see their efforts in health education, health promotion, and disease prevention as essential to impacting the behavioral contributors to poor health²⁷:

- Alcohol-induced death rates are 2.8 times greater for Urban Indian people than urban non-AI/ANs.
- Chronic liver disease death rates are 2.1 times greater for Urban Indian people than urban non-AI/ANs.
- Accidents and external causes of death rates are 1.4 times greater for Urban Indian people than urban non-AI/ANs.

Alcohol and drug-related deaths continue to plague Urban Indian people. Alcohol-induced mortality rates for Urban Indian people are markedly higher than for urban non-AI/ANs. All regions, with the exception of eastern seaboard cities in the Nashville Area, show dramatically higher rates for Urban AI/AN people than for non-AI/ANs who live in the same communities: the Billings Area is 4 times greater, the Phoenix Area is 6 times greater, the Tucson Area is 6.7 times greater, and the Great Plains Area has a 13.4 times greater alcohol-induced rate of mortality.²⁸

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

²⁷ Indian Health Service, Report to Congress: New Needs Assessment of the Urban Indian Health Program and the Communities it Serves at 10 (Mar. 31, 2016) (hereinafter New Needs Assessment), available at https://www.ihs.gov/urban/includes/themes/newihstheme/display_objects/documents/ReportToCongressUrbanNeedsAssessment.pdf.

²⁸ Ibid.

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

The IHS has contracts and grants with 41 UIOs to provide health care and referral services for Urban Indians in 22 states. The UIOs provide high quality, culturally relevant prevention, early intervention, outpatient and residential substance abuse treatment services, and recovery support to address the unmet needs of the Urban Indian communities they serve. Social determinants of health play a key role in health and wellness and UIOs are addressing a range of factors, which contribute to improved health outcomes.

According to the most recent Urban Indian data²⁹, 70,388 Urban Indian patients access services through UIO programs. Also, UIOs performed 696,229 visits for Urban Indian patients including medical, dental, behavioral health, other professional and enabling services directly or by paid referral. Data also indicates that members from 529 of the 574 (92 percent) Federally recognized Tribes accessed services from at least one of the 41 UIOs.

To date, the IHS Office of Urban Indian Health Programs awarded 34 4-in-1 grants to UIOs. The grantees are awarded from April 1, 2022, through March 31, 2027. These grants provide funding to UIOs to make health care services more accessible for Urban Indian people residing in urban areas. Funding is used to support four health program areas: health promotion and disease prevention services; immunization services; alcohol and substance abuse related services; and mental health services. Grantees participated in a national evaluation of the 4-in-1 grant program, which included reporting on the cultural interventions integrated into the 4-in-1 program activities, and practice based and evidence-based approaches that are implemented or modified to meet the needs of the Urban Indian service population.

²⁹ Urban: Urban Indian Organization National Uniform Data System Summary Report – 2021, 6/2/2023, https://www.ihs.gov/sites/urban/themes/responsive2017/display_objects/documents/2021_UIO_UDS_Summary_Report_Final.pdf

Department of Health and Human Services
Office of Inspector General



Office of Audit Services

February 2026 | OAS-26-03-025

**National Institutes of Health Fiscal
Year 2025 Detailed Accounting
Submission and Fiscal Year 2027
Budget Formulation Compliance
Report for National Drug Control
Activities, and the Accompanying
Required Assertions**



U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

February 24, 2026

TO: Molly Cluster
Acting Chief Financial Officer
National Institute on Drug Abuse

Alicia Caffi
Chief, Financial Management Branch
National Institute on Alcohol Abuse and Alcoholism

FROM: John D. Hagg **JOHN HAGG** Digitally signed by JOHN HAGG
Acting Deputy Inspector General for Audit Services Date: 2026.02.24 12:49:32 -05'00'

SUBJECT: Independent Attestation Review: *National Institutes of Health Fiscal Year 2025 Detailed Accounting Submission and Fiscal Year 2027 Budget Formulation Compliance Report for National Drug Control Activities, and the Accompanying Required Assertions, OAS-26-03-025*

We have reviewed the attached National Institutes of Health's (NIH) National Institute on Drug Abuse (NIDA) and National Institute on Alcohol Abuse and Alcoholism (NIAAA) Office on National Drug Control Policy (ONDCP) Detailed Accounting Reports, which include the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2025. We also reviewed the Budget Formulation Compliance Reports, which include budget formulation information for the fiscal year ending September 30, 2027, and the Chief Financial Officer's or accountable senior executive's assertions relating to the budget formulation information.¹ NIDA and NIAAA's management is responsible for, and submitted, the Detailed Accounting Reports and Budget Formulation Compliance Reports, which were prepared in accordance with the ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (ONDCP Compliance Reviews Circular). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of NIDA and NIAAA's Detailed Accounting Reports for fiscal year 2025, NIDA and NIAAA's Budget Formulation Compliance Reports for fiscal year 2027, and management's assertions based on our review.

¹ Although NIDA and NIAAA's Budget Formulation Compliance Reports were provided to ONDCP as of fiscal year 2025, the budget figures reflect the fiscal year 2027 funding request.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements, as described in the U.S. Government Accountability Office publication *Government Auditing Standards* (February 2024). Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Detailed Accounting Reports, Budget Formulation Compliance Reports, and management's assertions for them to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether management's reports and assertions are in accordance with the criteria in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion.

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

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

As part of our review, we performed review procedures on NIDA and NIAAA's fiscal year 2025 Detailed Accounting Reports and fiscal year 2027 Budget Formulation Compliance Reports according to the ONDCP Compliance Reviews Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in NIDA and NIAAA's reports. Those procedures included reviewing NIDA and NIAAA's drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether NIDA and NIAAA submitted the summer budgets timely and whether funding levels represented NIDA and NIAAA's requests.

Based on our review, we are not aware of any material modifications that should be made to NIDA and NIAAA's Detailed Accounting Reports for fiscal year 2025 and NIDA and NIAAA's Budget Formulation Compliance Reports for fiscal year 2027 and management's assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

NIDA and NIAAA's Detailed Accounting Reports and Budget Formulations Compliance Report assertions are included as Attachments A, B, C and D.²

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

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

should not be, used by anyone other than those specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Carla J. Lewis, Assistant Inspector General for Audit Services, at (202) 834-5992 or Carla.Lewis@oig.hhs.gov. Please refer to report number OAS-26-03-025 in all correspondence.



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

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

DATE: February 6, 2026

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

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Financial and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Molly Cluster MOLLY I.
Acting Chief Financial Officer CLUSTER-S

National Institute on Drug Abuse

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

Digitally signed by MOLLY I.
CLUSTER-S
Date: 2026.02.06 15:54:38
+05'00'

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

Obligations by Budget Decision Unit

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

Drug Methodology

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

Obligations of prior year drug control budgetary resources are calculated as follows:

FY 2025 actual obligations were determined by identifying NIDA support for projects that address drug prevention and treatment. Projects for inclusion in the ONDCP budget are identified from the NIDA coding system and database known as the "NEPS" system (NIDA Extramural Project System) (See Exhibit C). Data are entered into this system by program staff. NIDA does not need to make any assumptions or estimates to isolate its total drug control obligations as the total appropriation is drug control.

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

As the lead NIH institute for research on addiction, NIDA's work builds the evidence base for our Nation's efforts to reduce harmful drug use and its risks, including overdose. NIDA's comprehensive research portfolio addresses the full spectrum of addiction science, from understanding the fundamental neurobiology of substance use disorders (SUDs), to developing effective interventions for SUDs and overdose, to ensuring that these interventions reach all Americans who need them. This portfolio is responsive to the White House's commitment to accelerate gains in four major areas of drug policy and public health: Overdose Reduction, Prevention of First Drug Use, Addiction Treatment, and Recovery. NIDA's research on overdose reduction includes strategies to improve access to naloxone (which was developed through NIDA-funded studies) and to produce drug checking tools that can help people avoid fentanyl and other hazardous drugs. NIDA also continues working to understand risk and protective factors for first drug use and SUD, which will enable more effective prevention programs. NIDA strives to improve SUD treatment by expanding the reach of existing treatments, such as medications for opioid use disorder (MOUD), and by developing novel treatments, including neuromodulation devices and psychedelic-based approaches. Finally, NIDA prioritizes research to identify optimal, personalized recovery approaches and integrate them with medical approaches such as MOUD.

NIDA's FY 2025 enacted budget was \$1,663,365,000 (\$1,308,070,000 for direct and \$355,295,000 for research relating to the Opioid Crisis). There was an HIV/AIDS transfer in the amount of \$670,000. NIDA obligated \$1,663,305,421 of the Annual Appropriation and \$59,579 lapsed.

Application of Drug Methodology

I assert that the drug methodology described in the preceding section was the actual methodology used to generate the table required by Section 7 of the Circular. Any differences between NIDA's actual obligations and the National Drug Control Strategy Budget summary number for FY 2025 are described below for the FY 2025 column of the FY 2026 PB.

Methodology Modifications

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

Material Weaknesses or Other Findings

I assert that that all material weaknesses or other findings by independent sources, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

Methodology Modifications

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

Reprogrammings or Transfers

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

Fund Control Notices

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

ATTACHMENT

Exhibit A

**NATIONAL INSTITUTES OF HEALTH
NATIONAL INSTITUTE ON DRUG ABUSE
FY 2025 Actual Obligations
(Dollars in Thousands)**

I. RESOURCE SUMMARY - ANNUAL APPROP

	FY 2025 Actual	FY 2025 Lapse
Drug Resources by Decision Unit:		
National Institute on Drug Abuse	1,663,305	60
Total	1,663,305	60
Drug Resources by Function:		
Research and Development: Prevention	577,237	21
Research and Development: Overdose Reduction	113,833	4
Research and Development: Treatment	940,029	34
Research and Development: Recovery	32,206	1
Total	1,663,305	60

**Differences Between (1) Actual Obligations and (2) the FY 25 Column of the FY 25 CJ (Amounts
Available for Obligation table) and the National Drug Control Strategy Budget Summary
(Dollars in Thousands)**

Total 2024 Column of the FY 2025 CJ; National Drug Control Strategy	1,662,695
HIV/AIDS Transfer	670
Lapse of Funds	-60
Total Annual Obligations	1,663,305

Amounts Available for Obligation¹
(Dollars in Thousands)

Source of Funding	FY 2024 Final	FY 2025 Enacted	FY 2026 President's Budget ²
Appropriation	\$1,662,695	\$1,662,695	*
Mandatory Appropriation: (non-add)			
Type 1 Diabetes	\$0	\$0	
Other Mandatory financing	\$0	\$0	
Subtotal, adjusted appropriation	\$1,662,695	\$1,662,695	*
OAR HIV/AIDS Transfers	\$670	\$670	
Subtotal, adjusted budget authority	\$1,663,365	\$1,663,365	*
Unobligated balance, start of year	\$0	\$0	
Unobligated balance, end of year (carryover)	\$0	\$0	
Subtotal, adjusted budget authority	\$1,663,365	\$1,663,365	*
Unobligated balance lapsing	(\$49)	\$0	
Total obligations	\$1,663,316	\$1,663,365	*

¹Excludes the following amounts (in thousands) for reimbursable activities carried out by this account: FY 2024 - \$15,000, FY 2025 - \$17,995

²The FY 2026 President's Budget proposed the consolidation of several Institutes, including NIDA, into the National Institute of Behavioral Health, therefore no funding was identified specifically for NIDA.

ATTACHMENT

Exhibit B

- (1) **Drug Methodology** – Actual obligations of prior year drug control budgetary resources are derived from the NIDA Extramural Project System (NEPS) and the NIH nVision Balance of Accounts Report.
- a. **Obligations by Budget Decision Unit** – NIDA's budget decision units have been defined by ONDCP Circular, Budget Formulation, dated September 9, 2021. NIDA reports its entire budget to ONDCP. This unit is referred to as:
- National Institute on Drug Abuse
- b. **Obligations by Drug Control Function** – NIDA distributes drug control obligations into four functions and lapsed funds are spread on a pro rata basis across the categories:
- Research and Development: Prevention
 - Research and Development: Overdose Reduction
 - Research and Development: Treatment
 - Research and Development: Recovery
- (2) **Methodology Modifications** – none
- (3) **Material Weaknesses or Other Findings** – none
- (4) **Reprogrammings or Transfers** - The obligation data presented are associated against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of reprogrammings or transfers affecting drug-related resources in excess of \$1 million that occurred during the fiscal year. The Amount Available for Obligations table includes a transfer of \$670 thousand into NIDA in FY 2025 as part of the NIH-wide HIV/AIDS transfers under authority of Section 213 of the LHHS division of the Further Consolidated Appropriations Act, 2025.
- (5) **Other Disclosures** - none

ATTACHMENT

Exhibit C**NIDA Extramural Project System (NEPS) Description**

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

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

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



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health

National Institute on Alcohol

Abuse and Alcoholism

6700B Rockledge Drive
Bethesda, MD 20892-6902

DATE: February 11, 2026
TO: Director
Office of National Drug Control Policy (ONDCP)

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

FROM: Alicia Caffi
Chief, Financial Management Branch
National Institute on Alcohol Abuse and Alcoholism

ALICIA R. CAFFI -S
Digitally signed by ALICIA R. CAFFI -S
Date: 2026.02.11 12:00:59 -05'00'

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

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

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the NIH research categorization and disease coding (RCDC) system for underage drinking research projects at the National Institute on Alcohol Abuse and Alcoholism after manual review to identify projects related to prevention and treatment, consistent with the methodology detailed below. A table of Prior Year



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health

National Institute on Alcohol

Abuse and Alcoholism

6700B Rockledge Drive
Bethesda, MD 20892-6902

Drug Control Obligations by Decision Unit and Drug Control Function is included as part of Exhibit A.

Methodology

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

The NIAAA prevention and treatment components of its underage drinking research are included in the ONDCP drug control budget. Underage drinking research is defined as research that focuses on alcohol misuse and alcohol use disorder in minors (youth under the legal drinking age of 21). It includes all alcohol related research involving youth, including behavioral research, screening and intervention studies, and longitudinal studies, with the exception of research on fetal alcohol spectrum disorders resulting from alcohol use by the mother during pregnancy. Beginning with the reporting of FY 2010 actual obligations, NIAAA's methodology for developing budget numbers uses the NIH research categorization and disease coding (RCDC) fingerprint for underage drinking that allows for an automated categorization process based on electronic text mining to make this determination. Once all underage drinking projects and associated amounts are determined using this methodology, NIAAA conducts a manual review and identifies just those projects and amounts relating to prevention and treatment. Contract expenditures supporting underage prevention activities are also included. This subset makes up the NIAAA ONDCP drug control budget. Prior to FY 2010, there was no validated fingerprint for underage drinking, and the NIAAA methodology was completely dependent upon a manual review by program officers.



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health

National Institute on Alcohol

Abuse and Alcoholism

6700B Rockledge Drive
Bethesda, MD 20892-6902**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 7b(3) of the Circular.

Material Weakness or Other Findings

I assert that all material weaknesses or other findings by independent sources, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

Methodology Modifications

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

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



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health

National Institute on Alcohol

Abuse and Alcoholism

6700B Rockledge Drive
Bethesda, MD 20892-6902

**NATIONAL INSTITUTES OF
HEALTH**

**NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM
FY 2025 ACTUAL OBLIGATIONS**

(Dollars in Thousands)

FY 2025 Actuals	
Drug Resources by Decision Unit	
National Institute on Alcohol Abuse and Alcoholism (NIAAA)	
Total Drug Resources by Decision Unit	\$ 67,186
Drug Resources by Function	
Research and Development: Prevention	\$ 58,854
Research and Development: Treatment	\$ 8,332
Total, Drug Resources by Function	\$ 67,186

Amounts shown represent budget authority as well as obligations.

ATTACHMENT **Exhibit A**



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health

National Institute on Alcohol

Abuse and Alcoholism

6700B Rockledge Drive
Bethesda, MD 20892-6902

- (1) **Drug Methodology** – Actual obligations of prior year drug control budgetary resources are derived from the NIH research categorization and disease coding (RCDC) fingerprint for underage drinking and a manual review to identify projects related to prevention and treatment.
 - (a) **Obligations by Budget Decision Unit** – NIAAA's budget decision units have been defined by ONDCP Circular, Budget Formulation, dated September 9th, 2021. NIAAA reports only a portion of the budget dedicated to treatment and prevention to ONDCP. This unit is referred to as:
 - National Institute on Alcohol Abuse and Alcoholism
 - (b) **Obligations by Drug Control Function** – NIAAA distributes drug control funding into two functions, prevention and treatment:
 - Research and Development Prevention
 - Research and Development Treatment
- (2) **Methodology Modifications** – none
- (3) **Material Weaknesses or Other Findings** – none
- (4) **Reprogrammings or Transfers** - none
- (5) **Other Disclosures** - none



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

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

DATE: January 14, 2026

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

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

FROM: Molly Cluster
Acting Chief Financial Officer
National Institute on Drug Abuse

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation
Summer Submission

MOLLY L. CLUSTER-5
Digitally signed by
MOLLY L. CLUSTER-5
Date: 2026.01.14
16:29:44 -0500

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

Timeliness of Summer Budget Submission

I assert that the summer drug budget in response to ONDCP Circular Budget formulation, Section 9.a.(1) was submitted to ONDCP on August 4, 2025, in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

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



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service
National Institutes of HealthNational Institute on Alcohol
Abuse and Alcoholism
6700B Rockledge Drive
Bethesda, MD 20892-6902

DATE: February 13, 2026

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

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

FROM: Alicia R. Caffi ALICIA R. CAFFI -S Digitally signed by Alicia R. Caffi -S
Date: 2026.02.13 11:11:27 -0500
Chief, Financial Management Branch
National Institute on Alcohol Abuse and Alcoholism

SUBJECT: Assertions Concerning Fiscal Year 2027 Budget Formulation
Summer Submission

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

Timeliness of Summer Budget Submission

I assert that the summer drug budget in response to ONDCP Circular Budget formulation, Section 9.a.(1) was submitted to ONDCP on August 4, 2025, in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

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

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U.S. Department of Health and Human Services

Office of Inspector General

Public Affairs

330 Independence Ave., SW

Washington, DC 20201

Email: Public.Affairs@oig.hhs.gov



Substance Abuse and Mental Health
Services Administration

5600 Fishers Lane Rockville, MD 20857

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



DATE: December 19, 2025

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

THROUGH: Teresa Miranda
Deputy Assistant Secretary for Finance and
Deputy Chief Financial Officer
Assistant Secretary for Financial Resources
Office of the Secretary
Department of Health and Human Services

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

SUBJECT: Fiscal Year 2025 Detailed Accounting Report

Sections included Detailed Accounting Report (section 7 (a) of the ONDCP Circular) in this transmission

- (1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function
- (2) Drug Methodology
- (3) Methodology Modifications
- (4) Material Weaknesses or Other Findings
- (5) Reprogramming or Transfers
- (6) Other Disclosures

Following sections for Assertions (Section 7(b) of the ONDCP Circular)

- (1) Obligations by Budget Decision Unit
- (2) Drug Methodology
 - a) Data
 - b) Financial Systems
- (3) Application of Drug Methodology
- (4) Material Weaknesses or Other Findings
- (5) Methodology Modifications
- (6) Reprogramming or Transfers
- (7) Fund Control Notices



Substance Abuse and Mental Health
Services Administration

5600 Fishers Lane Rockville, MD 20857

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



Date: December 19, 2025
To: Director
Office of National Drug Control Policy (ONDCP)
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: Detailed Accounting Report

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

Obligations by Budget Decision Unit

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

Drug Methodology

I assert that the drug methodology used to calculate obligations of prior year budgetary resources by function for SAMHSA was reasonable and accurate in accordance with the criteria listed in Section 7a (1) of the Circular. In accordance with these criteria, I have documented/identified data that support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respects, aggregate obligations from which drug-related obligation estimates are derived. (See Exhibit A). However, in alignment with the proposed Department of Health and Human Services (HHS) reorganization, the Administration for a Healthy America (AHA) will consolidate programs from across several HHS Divisions, including SAMHSA. This new agency will lead public health and service delivery efforts that treat mental illness, especially serious mental illness, prevent substance abuse and addiction, and provide treatments and supports to foster recovery while ensuring access and better outcomes for all. The funding will continue the successes of programs under the previously mentioned agencies. AHA will also carry out drug control programs in alignment with the Administration's priorities.

Application of Drug Methodology

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

Material Weaknesses or Other Findings

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

Methodology Modifications

I assert there are no significant methodology modifications for reporting drug control resources from previous year's reporting. However, the FY 2026 President's Budget combines the Community Mental Health Services Block Grant (MHBG), the Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS BG), and the State Opioid Response (SOR) grants into a single grant, the Behavioral Health Innovation Block Grant. Under this consolidated funding, states will have flexibility in addressing substance use prevention, treatment, and recovery services. Of the total Behavioral Health Innovation Block Grant, 77% is scored as drug control funding. These funds are distributed across core functions in alignment with historical allocations under the SUPTRS BG and SOR programs: 20% for Prevention, 70% for Treatment, and 10% for Recovery, and with the elimination of Harm Reduction programs.

Reprogramming or Transfers

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

Fund Control Notices

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

ODESSA F. CROCKER -S
Digitally signed by
ODESSA F. CROCKER -S
Date: 2026.03.03
16:38:45 -05'00'
Odessa Crocker
Acting Chief Financial Officer

Attachments

- ATTACHMENT A - FY 2025 Drug Control Obligations
- ATTACHMENT B - FY 2025 Exhibit A - Drug Control Methodology

Substance Abuse and Mental Health Services Administration
 1-877-SAMHSA-7 (1-877-726-4727) • 1-800-487-4889 (TDD) www.samhsa.gov
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION
FY 2025 Drug Control Obligations
(Dollars in millions)

Drug Resources by Decision Unit and Function

Programs of Regional and National Significance (PRNS)

Prevention	232.285
Treatment.....	440.695
Recovery.....	27.277
Total, PRNS.....	700.257

Substance Use Prevention, Treatment, and Recovery Services Block Grant

Prevention	699.952
Treatment.....	1,779.385
Recovery.....	254.198
Total, SUPTRS	2,733.535

Health Surveillance and Program Support (HSPS)¹

Prevention	21.082
Treatment.....	76.209
Recovery.....	7.933
Total, HSPS	105.224
Total Funding	3,539.016

Drug Resources Personnel Summary

<i>Total Full Time Equivalents (FTE)².....</i>	<i>576</i>
---	------------

Drug Resources as a Percent of Budget

Total Agency Budget.....	7,375.806
Drug Resources Percentage.....	48.0%

¹The Health Surveillance and Program Support appropriation funded activities are split between mental health and drug control as follows:

- The Drug Abuse Warning Network is allocated fully to drug control. Program Support, and Health Surveillance are proportionally assessed under drug control by determining the proportion of SAMHSA's total budget that covers mental health services (the Center for Mental Health Services) and the proportion covering Drug Control-related services (the Center for Substance Use Services and the Center for Substance Use Prevention).
- Public Awareness and Support, Behavioral Health Workforce Data and Development and Data Request and Publication User Fees are assessed at 50% of total appropriated funds and are directed toward drug control activities.
- The drug control total for HSPS after these calculations is allocated between Prevention (20%) and Treatment (80%). Within the total for treatment, HSPS is assessed at 2% toward recovery, consistent with the drug control methodology

² Only Direct FTEs included in total.

Exhibit A

1) Drug Methodology - Actual obligations of drug control budgetary resources are derived from the SAMHSA Unified Financial Management System (UFMS), Program Support Center (PSC), and Open - Closed Document Report.

a. **Obligations by Budget Decision Unit** – SAMHSA’s budget decision units have been defined by ONDCP Circular, *Budget Formulation*, dated September 09, 2021. These units are:

- Programs of Regional and National Significance (PRNS)-Prevention (CSAP);
- Programs of Regional and National Significance (PRNS)-Treatment (CSAT);
- Behavioral Health Innovation Grants; and
- Health Surveillance and Program Support – SAMHSA.

Included in this Drug Control Accounting report for FY 2025 are, 100 Percent of the actual obligations for these four budget decision units, minus reimbursements. Obligations against funds provided to SAMHSA from the PHS evaluation fund are included.

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

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

- CSAP’s PRNS direct funds, excluding reimbursable authority obligations;
- 20 percent of the actual obligations of the Substance Use Prevention, Treatment, and Recovery Block Grant funds, including obligations related to receipt of PHS evaluation funds;
- Of the portion from SAMHSA HSPS funds, including obligations related to receipt of PHS evaluation funds and Prevention and Public Health Funds (PPHF), the assumptions are as follows:
 - Public Awareness and Support (PAS) funds were split 50/50 between substance abuse (SA) and mental health (MH) and 20 percent of the SA portion is considered Prevention;
 - Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 20 percent of the SA portion is considered Prevention;
 - Health Surveillance funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 20 percent of the SA portion is considered Prevention; and

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

- CSAT’s PRNS direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS evaluation funds;
- 70 percent of actual obligation of the Substance Use Prevention, Treatment, and Recovery Block Grant funds;
- Of the portion from SAMHSA HSPS funds decision unit, including obligations related to receipt of PHS evaluation funds and Prevention Public health funds (PPHF) the assumptions are as follows:
 - PAS funds were split 50/50 between SA and MH and 70 percent of the SA portion is considered Treatment;

- Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 70 percent of the SA portion is considered Treatment;
- Health Surveillance Funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 70 percent of the SA portion is considered Treatment; and

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

- CSAT's PRNS direct funds, excluding reimbursable authority obligations, but including obligations related to receipt of PHS Evaluation funds;
- 10 percent of the actual obligations of the Substance Use Prevention, Treatment, and Recovery Services Block Grant funds, including obligations related to receipt of PHS Evaluation funds; and,
- Of the portion from SAMHSA HSPS funds, including obligations related to receipt of PHS Evaluation funds and PPHF, the assumptions are as follows:
 - PAS funds were split 50/50 between SA and MH
 - Program Support funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 10 percent of the SA portion is considered Recovery
 - Health Surveillance funds were split between MH and SA, the same percentage split as between the MH and SA appropriations and 10 percent of the SA portion is considered Recovery.

2) Methodology Modifications

The FY 2026 Congressional Justification request combined the Community Mental Health Services Block Grant (MHBG), the Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS BG), and the State Opioid Response (SOR) grants into a single grant (Behavioral Health innovation Block Grant). Under this consolidated funding, states will have flexibility in addressing substance use prevention, treatment, and recovery services. Of the total Behavioral Health Innovation Block Grant, 77% is scored as drug control funding. These funds are distributed across core functions in alignment with historical allocations under the SUPTRS BG and SOR programs: 20% for Prevention, 70% for Treatment, and 10% for Recovery, and with the elimination of Harm Reduction programs, was previously allocated 1%.

3) Material Weaknesses or Other Findings

SAMHSA completed their Annual Statement of Assurance on January 10, 2024, that included the review and evaluation of drug control obligations. As a result of the review, no material weaknesses were identified for the drug control obligations ending September 30, 2024.

4) Reprogramming or Transfers - None

5) Other Disclosures – None.



U.S. Customs and Border Protection

May 21, 2026

The Honorable Sara Carter
Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Director Carter:

This communication provides U.S. Customs and Border Protection's (CBP) submission in response to requirements in the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*. Included are (1) information and assertions used in the formulation of CBP's Fiscal Year (FY) 2027 budget, (2) an accounting of \$4.7 billion obligated for ONDCP activities during FY 2025, and (3) a description of the impacts of the FY 2025 obligations to counternarcotics efforts.

CBP's FY 2027 Summer Drug Budget was transmitted to ONDCP through the Department of Homeland Security (DHS) Office of the Chief Financial Officer on July 25, 2025. To the best of my knowledge, the final submission to ONDCP accurately represents CBP's requested funding levels, without alteration or adjustment by any official at DHS. Furthermore, to the best of my knowledge, the drug control funding obligation assertions, budget formulation assertions, accounting assertions, and performance assertions detailed by CBP within each report and submission are accurate and complete.

Questions may be directed to CBP's Drug Budget Coordinator, Ms. Phyllis Webster, at 202-230-3863 or at phyllis.e.webster@cbp.dhs.gov.

Sincerely,

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

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

Enclosures: (1) CBP FY 2027 Summer Drug Budget Submission, July 2025
(2) CBP FY 2025 Detailed Account Report / Assertions
(3) CBP FY 2025 Budget Formulation Compliance Report / Assertions

DEPARTMENT OF HOMELAND SECURITY

Customs and Border Protection

Resource Summary

	Budget Authority (in Millions)		
	Fiscal Year 2025 Enacted	FY 2026 Request	FY 2027 Request
Drug Resources by Function			
Intelligence	\$628.014	\$631.689	
Interdiction	\$4,046.891	\$3,946.601	
Total Drug Resources by Function	\$4,674.905	\$4,578.290	
Drug Resources by Decision Unit			
Operations and Support	\$4,290.674	\$4,333.534	
Border Security Operations	\$1,099.571	\$1,122.428	
Intelligence	\$34.024	\$34.440	
Interdiction	\$1,065.547	\$1,087.988	
Trade and Travel Operations	\$2,199.537	\$2,250.149	
Intelligence	\$373.182	\$382.750	
Interdiction	\$1,826.355	\$1,867.399	
Integrated Operations	\$923.456	\$896.066	
Intelligence	\$185.254	\$179.912	
Interdiction	\$738.202	\$716.154	
Mission Support	\$68.110	\$64.891	
Intelligence	\$23.093	\$20.350	
Interdiction	\$45.017	\$44.541	
Procurement, Construction, and Improvements	\$384.231	\$244.756	
Border Security Operations	\$42.525	\$36.570	
Intelligence	\$0	\$0	
Interdiction	\$42.525	\$36.570	
Trade and Travel Operations	\$279.400	\$137.000	
Intelligence	\$0	\$0	
Interdiction	\$279.400	\$137.000	
Integrated Operations	\$62.306	\$71.186	
Intelligence	\$12.461	\$14.237	
Interdiction	\$49.845	\$56.949	
Total Drug Resources by Decision Unit	\$4,674.905	\$4,578.290	

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

Drug Resources Personnel Summary		
Total Full Time Equivalents (direct only)	13,446	13,525
Drug Resources as a Percent of Budget		
Total Agency Budget (in Billions)	\$23.09	\$23.01
Drug Resources Percentage	20.2%	19.9%

MISSION

Titles 8 U.S.C. and 19 U.S.C. authorize U.S. Customs and Border Protection (CBP) to regulate the movement of carriers, persons, and commodities between the United States and other nations. It is through this statutory authority that CBP plays a key role in the overall anti-drug effort at the border. CBP's jurisdiction is triggered by the illegal movement of criminal funds, services, or merchandise across our national borders and is applied pursuant to the authority of the Bank Secrecy Act (Public Law 99-570), "USA PATRIOT Act" (Public Law 107-56), Money Laundering Control Act (Public Law 99-570), and other laws.

METHODOLOGY

CBP is a multi-mission agency and calculates obligations by budget decision unit and function, pursuant to an approved drug methodology. Based on new methodology, seven organizations within CBP (Office of Field Operations, U.S. Border Patrol, Office of Training and Development, Office of Information and Technology, Office of Intelligence, Air and Marine Operations, and Operations Support) were provided with guidance on preparing estimates for the reporting of drug control funds. These offices were asked to estimate, based on their operational expertise, the portion of their activities related to drug enforcement. The aforementioned organizations identified resources in their financial plans that support the drug enforcement mission of the agency. Office of Field Operations, U.S. Border Patrol, Office of Information Technology, Office of Training and Development, and Air and Marine Operations attribute their resources to both intelligence and interdiction functions, while the Office of Intelligence attributes their resources to only intelligence functions, and Operations Support to only interdiction functions.

Office of Field Operations

Office of Field Operations is the law enforcement component within CBP responsible for carrying out CBP's complex and demanding border security mission at all Ports of Entry. Office of Field Operations manages the lawful access to our Nation and economy by securing and expediting international trade and travel. Office of Field Operations operates 328 Points of Entry and 16 Pre-clearance locations, 47 User Fee Facilities, and 19 Express Consignment Carrier Facilities. POEs welcome travelers and facilitate the flow of goods essential to our economy 24 hours a day, 7 days a week.

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

[REDACTED] These enforcement teams work closely with the Passenger Enforcement Rover Team and Passenger Analytical Unit teams to coordinate all enforcement activities. CBP estimates that 69 percent of the enforcement teams' time is devoted to drug enforcement. The smuggling methodologies and their indicators are similar for both narcotics and anti-terrorism activities. [REDACTED]

[REDACTED] Additionally, the remainder 22,433 CBP Officers perform anti-narcotic missions 35 percent of their time. [REDACTED]

U.S. Border Patrol

U.S. Border Patrol is responsible for almost 6,000 miles of land borders between Ports of Entry with Canada and Mexico and nearly 2,000 miles of coastal waters surrounding the Florida Peninsula and Puerto Rico. [REDACTED]

[REDACTED] This budget includes continued funding for border technology and tactical infrastructure, equipment sustainment and maintenance, operational support and training.

Border Patrol Agents, assigned to the mission of detecting and apprehending illegal entrants between ports of entry. These illegal entrants include aliens and drug smugglers, potential terrorists, wanted criminals, and persons seeking to avoid inspection at the designated ports of entry due to their undocumented status, thus preventing their illegal entry. It has been determined that 15 percent of the total agent time nationwide is related to drug activities. Of the 15 percent related to drug interdiction, 3.5 percent of these efforts are related to intelligence and 96.5 percent to drug interdiction. Border Patrol Agent activities include staffing a total of 35 permanent and 189 tactical checkpoints (34 permanent and 111 tactical on southern border, and one permanent and 78 tactical on northern border) with 865 Canine Teams deployed in 20 sectors and Special Operations Group, trained in the detection of humans and certain illegal drugs that are concealed within cargo containers, truck trailers, passenger vehicles, and boats. In addition, agents perform line watch functions in targeted border areas that are frequent entry points for the smuggling of drugs and people into the United States.

In addition to staffing and canine units, U.S. Border Patrol manages several programs focused on the acquisition and deployment of technology and tactical infrastructure to secure the southern and northern borders of the United States. Some examples of technology programs include the Integrated Surveillance Towers program and the Tactical Communications Modernization program. The Tactical Infrastructure program is responsible for the deployment and maintenance

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

of infrastructure, including roads, fencing, lighting, gates, etc. These technology and infrastructure programs increase situational awareness and assist law enforcement personnel in identifying and resolving illegal activity.

Air and Marine Operations

Using flight hours spent performing drug-related activities, Air and Marine Operations has determined that 81 percent of the budget resources that support Air and Marine Operations are considered drug-related. Of the total flight hours flown by Air and Marine Operations, 19 percent were related to intelligence and 81 percent were related to interdiction in FY 2024.

The source data for the financial information/flight hour information is retrieved from Air and Marine's official system of record, the Tasking and Operations Management Information System. The Tasking and Operations Management Information System has undergone a verification and validation by the Department of Homeland Security (DHS) and has been referenced in several U.S. Government Accountability Office and Office of Inspector General reviews, which provides reliable source data for the drug methodology described above.

Office of Training & Development

The Office of Training and Development calculates the portion of their budget attributable to drug control funding by issuing an annual data call for all projected National Training Plan funded training courses to assess if courses contain any items related to drug enforcement material and activities. The curriculum of each course is reviewed, and subject matter experts determine course hours delivered related to drug enforcement activities under interdiction and intelligence efforts for this tasking. If specific courses offered through the National Training Plan contain drug enforcement-related material, a specific percentage for that course is defined (hours related to drug enforcement training divided by the total number of course hours).

Specific training programs identified include the canine training programs and basic, specialized, and advanced training for CBP officers, agents, and intelligence analysts. Office of Training and Development's day-to-day operational resources (to include pay and general operating budgets) are attributed to drug enforcement activities. This is the same rate as the percentage of National Training Plan course delivery costs attributable to drug enforcement activities for both interdiction and intelligence efforts, which are initially projected at 15.96 percent for interdiction and 0.36 percent for intelligence during FY 2027. These percentages vary during the year of execution depending upon the actual course delivery funding obligation rates.

Office of Information and Technology

CBP typically relies on the data entered into its Financial System of Record to calculate the portion of its budget attributable to drug control funding for these offices. Office of Information Technology's budget supports the drug enforcement mission, and in particular the Office of National Drug Control Policy priority to stop the flow of drugs across our borders and into our communities, through the acquisition, support, and maintenance of technology and through mission-critical targeting application systems. The Office of Information Technology estimates that 35 percent of the Automated Targeting System, 10 percent of TECS software applications, as well as 10 percent of data center operations costs are in support of the drug mission.

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

Office of Intelligence

The Office of Intelligence directly supports the counter narcotics mission through the deployment of personnel and resources dedicated directly to the drug enforcement mission. The Office of Intelligence directly impacts the counter narcotics mission through program management, training, and source payments of the agency's confidential human source program, serving as the only geospatial analytic element within DHS and conducting analysis to support ongoing investigations, changing detection to drive law enforcement operations as well as strategic analysis and collections management to identify and illuminate previously unknown actors and threats. Overall, the Office of Intelligence has a total of 69 full-time intelligence research specialists dedicated to working on counter narcotics efforts.

The Office of Intelligence serves as the national program manager for the CBP Confidential Human Source program, a program that has continued to grow each year in both personnel as well as in operational successes with the Office of Intelligence providing training and certification to more than 150 Confidential Human Source handlers. The Office of Intelligence delivers between 3 and 4 Confidential Human Source training courses each year for new source handlers with each course costing approximately \$720,000 per session. Since the beginning of fiscal year 2024, the CBP Confidential Human Source program has enabled the seizure of over \$492 million dollars wholesale value of narcotics.

In FY 2024, the Confidential Human Source program was responsible for approximately 14 percent of all narcotics seizures despite its personnel only accounting for 0.5 percent of CBP's law enforcement cadre. The Office of Intelligence has been responsible for Confidential Human Source payments, approximately \$2 million per year, due to programmatic sensitivities we are unable to provide exact amounts related to narcotics seizures. To facilitate Confidential Human Source operations and programmatic auditing, the Office of Intelligence spends approximately \$100,000 per year on travel to facilitate these mandatory program audits and direct support to law enforcement partners. In FY 2025 (data as of 16 July 2025), the Office of Intelligence published and disseminated a total of 670 Intelligence Information Reports meeting Presidential Priorities and CBP priorities in response to critical intelligence community requirements meeting national security and transnational organized crime, that highlight the focus on fentanyl, global supply chain, and the flow of narcotics impacting our borders.

The Office of Intelligence has 21 full time dedicated geospatial intelligence analysts supporting unmanned aerial surveillance of counter narcotics missions, totaling more than 12,044 hours last year. Direct analytic support of these missions resulted in the seizure of more than 11,652 kilograms of cocaine and 25,624 pounds of marijuana, seizures worth as much as \$510 million, as well as the apprehension of seven high value targets or members of the Federal Bureau of Investigation's most wanted cartel leaders list. The Office of Intelligence geospatial analysts also conducted more than 6,000 hours of Pole Camera exploitation supporting counter narcotics operations that resulted in seizures of more than 250 kilograms of cocaine and 36 kilograms of fentanyl, seizures with a potential street value of more than \$11 million.

The Office of Intelligence's National Intelligence Watch analysts leverage raw Intelligence Community, law enforcement, and open-source data and information to illuminate current and emerging narcotics trends, to include smuggling routes; smuggling tactics, techniques, and

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

procedures; precursor flows; as well as provide situational awareness regarding nefarious actors and activities. These products provide situational awareness to CBP executive and operational decision makers, as well as to our state and local partners, to inform their decision-making processes. The National Intelligence Watch also delivers all-source analytic and research support to our Regional Intelligence Centers, who are the Office of Intelligence's conduit to provide intelligence support to our operational components.

The Office of Intelligence has a total of 40 full time all source analysts in the Regional Intelligence Centers, analysts that provide daily intelligence support to narcotics investigations and operations to CBP, DHS, Drug Enforcement Agency, and State, Local, Tribal, and Territorial partners locally. These analysts provide direct case support as well as production of hundreds of serialized intelligence reports that are disseminated to the intelligence community. The Office of Intelligence has also dedicated eight full time employees focused on counter narcotics at the strategic level, these analysts produce the only strategic analysis on narcotics within CBP and are also responsible for developing collection requirements and conducting coordination across the U.S. Intelligence Community.

Operations Support

Laboratories and Scientific Services is an organization of 323 scientists, engineers, criminal forensics experts, and support staff that provides rapid, accurate, and reliable forensic and scientific services to CBP frontline officers and agents in support of CBP's mission to protect the American people, safeguard the borders, and enhance the Nation's economic prosperity. Laboratories and Scientific Services is comprised of eight geographically disbursed field laboratories including the Integrated Narcotics Trafficking Evaluation and Response Center for Detecting International Chemical Threats, 16 Forward Operating Laboratories/Joint Forensic Centers, the Teleforensic Center, and the Interdiction Technology Branch that provide key support services to CBP operators.

These services include forensics and trade laboratory analyses, 24/7 radiation/nuclear and narcotics reach-back, and programmatic and engineering services for CBP's Non-Intrusive Intelligence program and the Subterranean Illicit Tunnel Program. An estimated 75 percent of the Laboratories and Scientific Services operations provide direct support to counter-narcotic efforts through forensic and scientific analysis completed at regional laboratories or through forward operating laboratories situated on-site and frontline Ports of Entry.

BUDGET SUMMARY

In FY 2027, CBP requests [REDACTED] FY 2026 President's Budget level.

Operations and Support

FY 2027 Request: [REDACTED]
[REDACTED] **FY 2026 President's Budget level)**

Operations and Support funds CBP's primary field occupations, including CBP Officers, Border Patrol Agents, Air Interdiction Agents, Aviation Enforcement Agents, Marine Interdiction Agents, Detection Enforcement Officers, import and entry specialists, and agricultural specialists. The

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

agency's field organization comprises 20 Border Patrol Sectors, with 135 stations and substations, and 35 immigration checkpoints between the Ports of Entry. CBP also manages 20 Field Operations Offices; 328 associated Ports of Entry, of which 16 are Pre-clearance locations; 47 User Fee Airports; and 19 Express Consignment Carrier Facilities. Field personnel use a mix of air and marine assets, non-intrusive technology such as large-scale x-rays and radiation portal monitors, targeting systems, and automation to ensure the detection and apprehension of high-risk travelers, illegal entrants, and smugglers and the seizure of contraband.

Border Security Operations

FY 2027 Request

(FY 2026 President's Budget level)

The FY 2027 Request provides funding for border security between the Ports of Entry. U.S. Border Patrol has primary responsibility for drug interdiction between the land Ports of Entry. In pursuit of drugs, Border Patrol Agents engage in surveillance activities supported by computer-monitored electronic ground sensors.

Traffic check operations are also conducted along major routes of travel to restrict access to the interior by drug and alien smugglers. Transportation centers are placed under surveillance for the same reason.

In addition, the U.S. Border Patrol canine program was implemented in 1986 in response to escalating alien and drug smuggling activities along the Mexican and Canadian borders. The canines are trained at Canine Center El Paso in Texas and Canine Center Front Royal in Virginia, to locate concealed humans and detect several narcotic odors and their derivatives. The canines are used in nearly every enforcement activity of U.S. Border Patrol including line watch, traffic check operations, and train and bus checks. The Border Patrol's canine programs are responsible each year for the detection of record numbers of smuggled aliens and large narcotic loads, including the arrest of the criminals involved in smuggling activities.

U.S. Border Patrol also participates in numerous interagency drug task force operations with other Federal, state, and local law enforcement organizations through Operation Alliance along the southern border. U.S. Border Patrol is an active participant in the Southwest Border High Intensity Drug Trafficking Area program in Texas, New Mexico, Arizona, and California. To further assist U.S. Border Patrol in this endeavor, all Border Patrol Agents receive Drug Enforcement Agency Title 21 cross-designated authority as part of their basic training. The recent rise in fentanyl has also impacted operational requirements due to the need to purchase large amounts of technology to detect the presence of fentanyl and equipment to protect U.S. Border Patrol Agents.

Funding Guidance Review

FY 2027 Funding Guidance	Was the Guidance Addressed?

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

Date	Time	Location	Weather	Wind	Temp	Humidity	Pressure	Visibility	Remarks

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET



Trade and Travel Operations

FY 2027 Request: [REDACTED]

FY 2026 President's Budget level) [REDACTED]

[REDACTED] for drug-related resources associated with border security and trade facilitation at the Ports of Entry, which provides continued support for front-line CBP Officers. Additional funding is comprised of resources dedicated to field analysis and intelligence units and increased personnel costs for baseline CBP Officers.

CBP will use its resources to support aggressive border enforcement strategies that are designed to interdict and disrupt the flow of narcotics and ill-gotten gains across our Nation's borders and dismantle the related smuggling organizations. CBP narcotics interdiction strategies are designed

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

to be flexible so they can successfully counter the constantly shifting narcotics threat at the Ports of Entry.

The Office of Field Operations National Targeting Center recognizes the value of establishing and enhancing collaboration with key stakeholders, both here at home and abroad to combat opioids. Because the opioid epidemic is a global problem, the National Targeting Center partners with foreign governments to identify and exchange opioid related data with our partners to enhance intelligence products, targeting initiatives, and inter-agency operations. The National Targeting Center has been aggressively targeting the illegal importation of fentanyl and other opioids transiting or destined to the United States.

Efforts have been focused on the creation of targeting rules to identify high-risk targets and to increase cooperation with foreign and domestic law-enforcement partners. The National Targeting Center is continuously developing and updating targeting protocols to identify precursor chemicals and narcotics to address the increasing heroin, fentanyl, and opioid threat. The National Targeting Center will continue to collaborate and strengthen ties with our investigative partners from the U.S. Postal Inspection Service, Homeland Security Investigations, Drug Enforcement Agency, Federal Bureau of Investigations and other federal partners to conduct joint enforcement initiatives including intelligence-driven special operations designed to identify and disrupt drug smuggling.

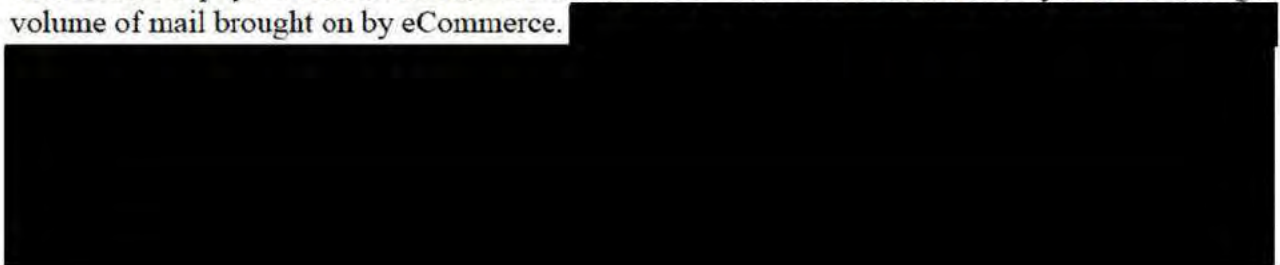
CBP's National Targeting Center Narcotics Targeting team addresses illicit narcotics smuggling on a global scale through an aggressive targeting and analysis program, identifying narcotics smuggling schemes in all modes of transportation. The National Targeting Center has the lead role of identifying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

An important element of CBP's layered security strategy is obtaining advance information to help identify shipments that are potentially high-risk for containing contraband. This information is automatically fed into CBP's Automated Targeting System, an intranet-based enforcement and decision support system that compares cargo and conveyance information against intelligence and other enforcement data. CBP uses the same drug-interdiction methodology to seize fentanyl as it uses to detect other illicit drugs; however, the detection of fentanyl remains challenging because of the small quantities routinely being smuggled. Currently, officers use Fourier Transform Infrared Spectrometers and Raman spectrometers to test suspect substances and obtain presumptive results.

Office of Field Operations International Mail Facilities: When mail arrives at an International Mail Facility, it is accepted (scanned) by the U.S. Postal Service and sorted prior to presenting to CBP for inspection. CBP employs physical, x-ray, canine searches, large scale, and handheld non-intrusive inspection tools to examine international mail shipments. Utilizing available advanced electronic data, CBP targets high-risk shipments and relies on the U.S. Postal Service to locate and deliver the targeted mail. For non-advanced electronic data international mail shipments, the selection process by CBP for review is primarily a manual process. The U.S. Postal Service is now providing CBP advanced electronic data on approximately 50 percent of all international mail with goods.

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

CBP faces challenges in targeting and interdicting contraband, illicit goods, and shipments of interest due to physical infrastructure constraints at the International Mail Facility and increasing volume of mail brought on by eCommerce.



CBP has also implemented a Field Operations Intelligence Program, which provides support to CBP inspection and border enforcement personnel in disrupting the flow of drugs through the collection and analysis of all source information and dissemination of intelligence to the appropriate components. In addition, CBP interdicts undeclared bulk currency, cutting off funds that fuel terrorism, narcotics trafficking, and criminal activities worldwide. CBP officers perform enforcement operations that involve screening outbound travelers and their personal effects. CBP also supports operations that focus on interdicting bulk currency exported in cargo shipments. CBP uses mobile x-ray vans and specially trained currency canine teams to target individuals, personal effects, conveyances, and cargo acting as vehicles for the illicit export of undeclared currency.

Southwest Border Efforts

On the Southwest border, CBP employs a risk-based strategy for outbound operations which are normally short, periodic inspections followed by periods without inspections. This allows for the immediate stand-down of outbound inspections to manage traffic flow departing the Ports of Entry.

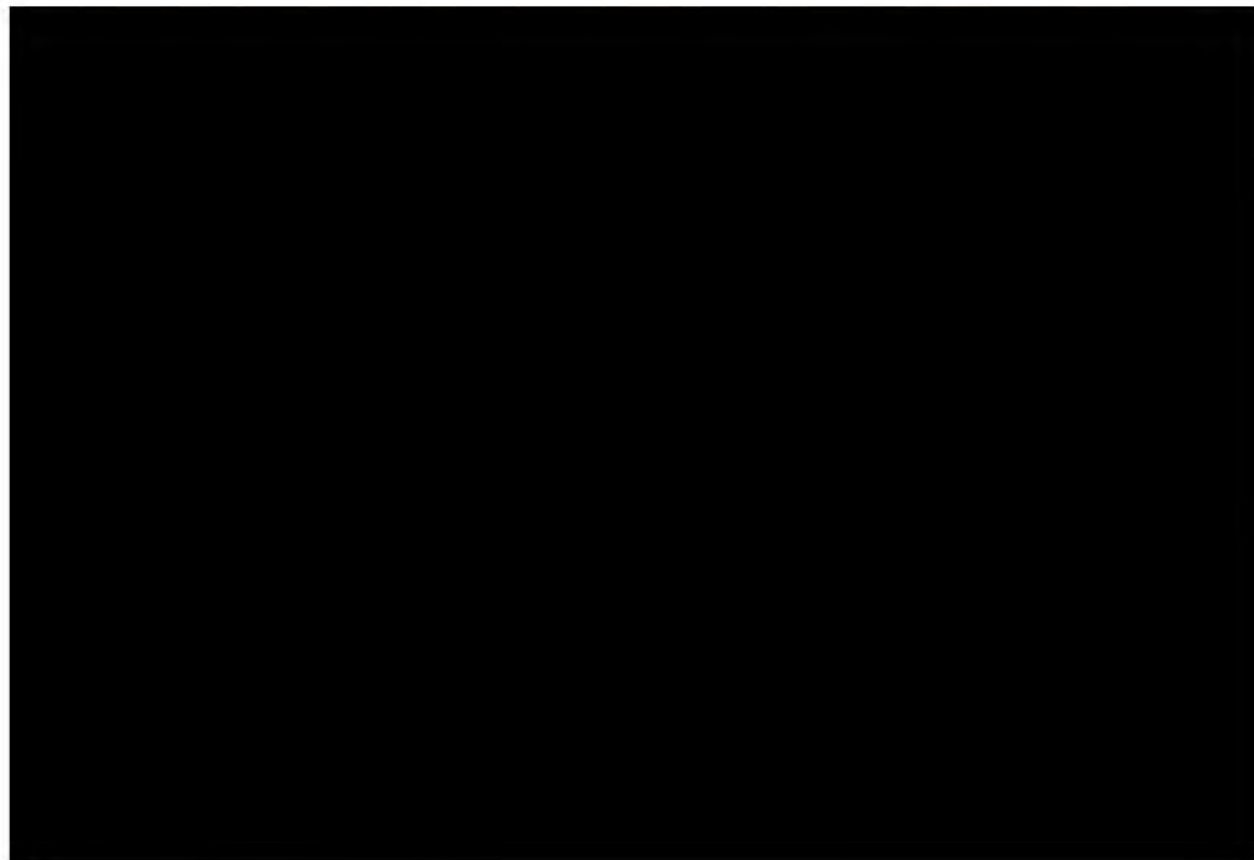
Northern Border Efforts

The Northern border counter-smuggling approach focuses on bi-national, Federal, state, local, and tribal law enforcement partnerships, information sharing agreements, joint integrated operations, and community outreach to maximize efforts and resources. This approach has proven successful along the Northern border.

Funding Guidance Review

FY 2027 Funding Guidance	Was the Guidance Addressed?
	

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET



Integrated Operations

FY 2027 Request:

FY 2026 President's Budget level)

Air and Marine Operations is the lead operational component within CBP responsible for air and maritime border security. Air and Marine Operations's mission areas include air, maritime, and land law enforcement; domain awareness; extended border and foreign operations; and contingency and national security operations. In this capacity, Air and Marine Operations target the conveyances that illegally transport narcotics, arms, and aliens across our borders and in the Source, Transit, and Arrival Zones. In FY 2024, Air and Marine Operations executed 92,980 flight hours and 46,133 float hours, which resulted in the seizure or disruption of 244,781 pounds of cocaine; 3,061 pounds of methamphetamine; and 2,235 pounds of fentanyl.

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

Air and Marine Operations also operates the Air and Marine Operations Center. The Air and Marine Operations Center is a key element in CBP's counter-network strategy, responsible for assessing and countering terrorism, transnational organized crime, and other illegal activities. The

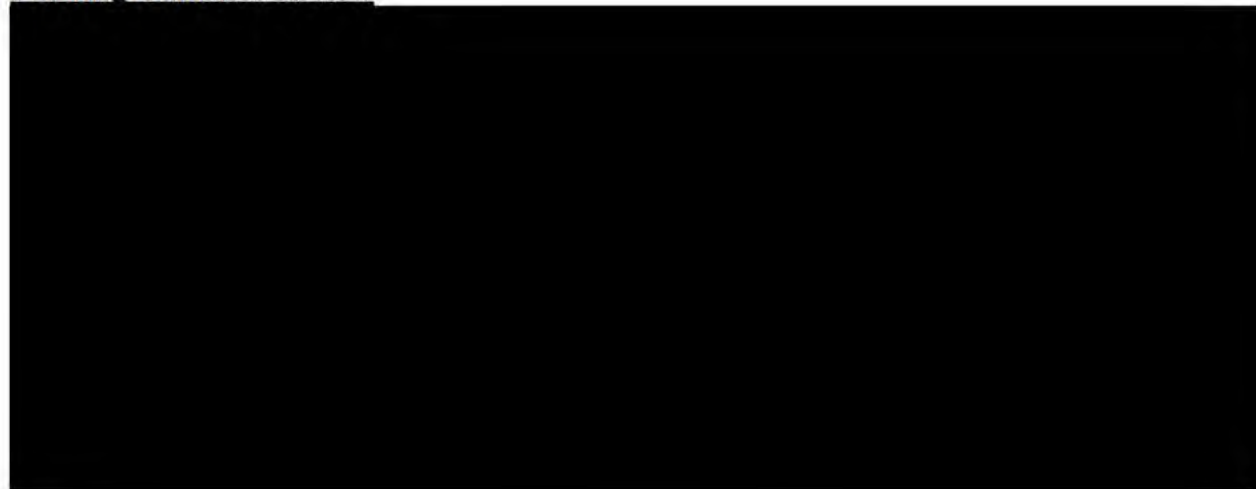
NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

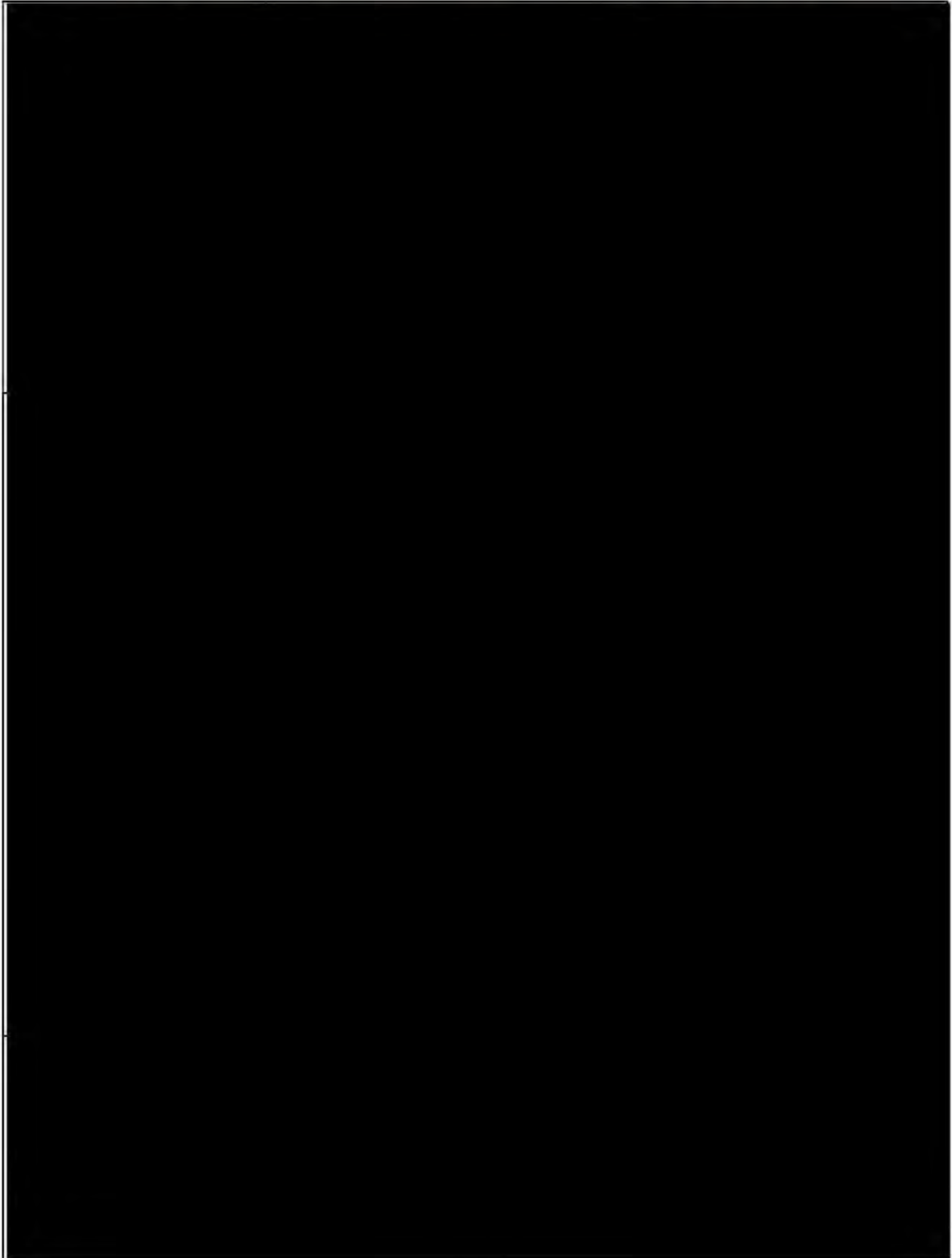
Air and Marine Operations Center advises, guides, and directs the operational employment of sensor technologies for DHS and CBP, managing the air and maritime domain awareness architecture. It integrates multiple-sensor technologies, intelligence, law enforcement databases, open-source information, and an extensive communications network. It monitors the airspace of major security events and houses and collaborates with the Office of Intelligence via its Processing, Exploitation, and Dissemination cell that collects and analyzes multi-domain intelligence from a variety of sources, including CBP and USCG aircraft.

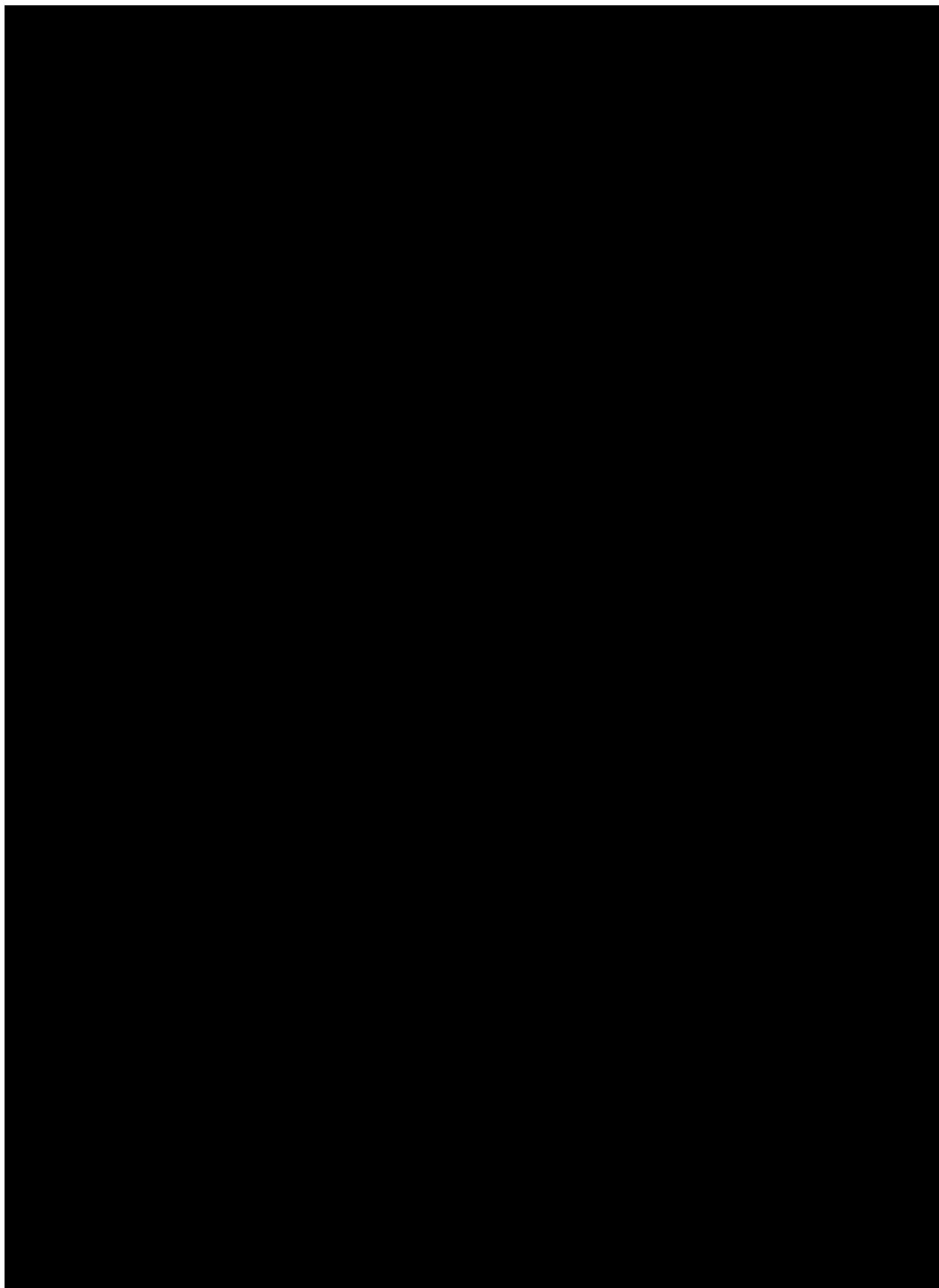
The Office of Intelligence directly supports the counter narcotics mission through the deployment of personnel and resources dedicated directly to the drug enforcement mission. The Office of Intelligence directly impacts the counter narcotics mission through program management, training, and source payments of the agency's confidential human source program, serving as the only geospatial analytic element within DHS and conducting analysis to support ongoing investigations, change detection to drive law enforcement operations as well as strategic analysis and collections management to identify and illuminate previously unknown actors and threats.

The Operations Support Laboratories and Scientific Services directly supports counter-narcotic and counter-fentanyl mission and operational requirements through providing onsite scientific analysis to frontline operations at 16 Forward Operating Laboratories located at ports of entry throughout the US and Puerto Rico, in addition to confirmatory analysis done at eight regional laboratories to facilitate counter-narcotic law enforcement actions. The scientific analysis and identifications of seizures by highly skilled scientists and forensics experts provide direct impact to the counter narcotics mission. Laboratories and Scientific Services scientists and forensic experts support counter-narcotic interagency operations through deploying alongside agents and officers in the field to provide scientific and forensic analytical support. Laboratories and Scientific Services develops scientific methodology to link seized drug samples back to specific drug trafficking organizations and analyzes drug samples that could link "street" fentanyl and other drug seizures back to its origin and routes. Additionally, digital forensics experts support data extraction of seized electronic devices associated with fentanyl and other illicit drugs. Laboratories and Scientific Services is an integral component of the CBP counter-narcotic mission set and is critical to the success of the CBP Strategy to Combat Fentanyl and Other Synthetic Drugs.

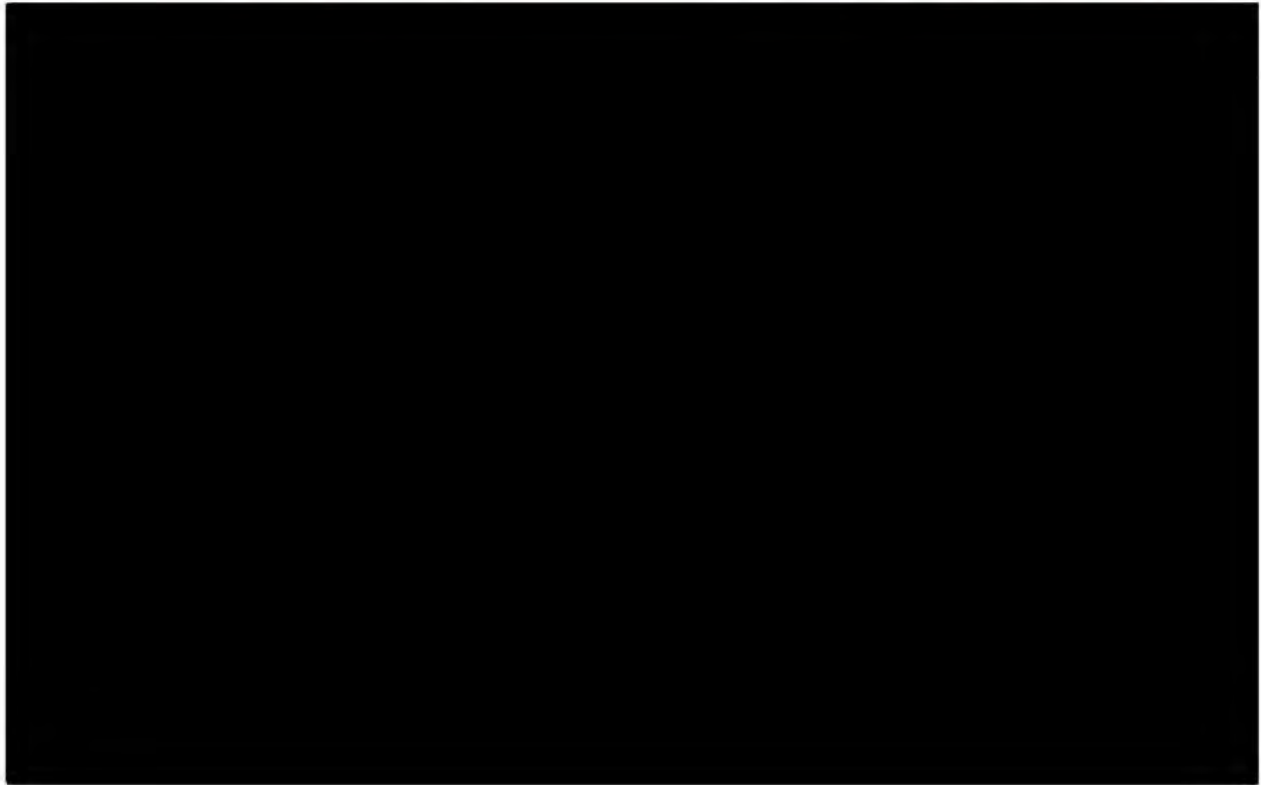
Funding Guidance Review







NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET



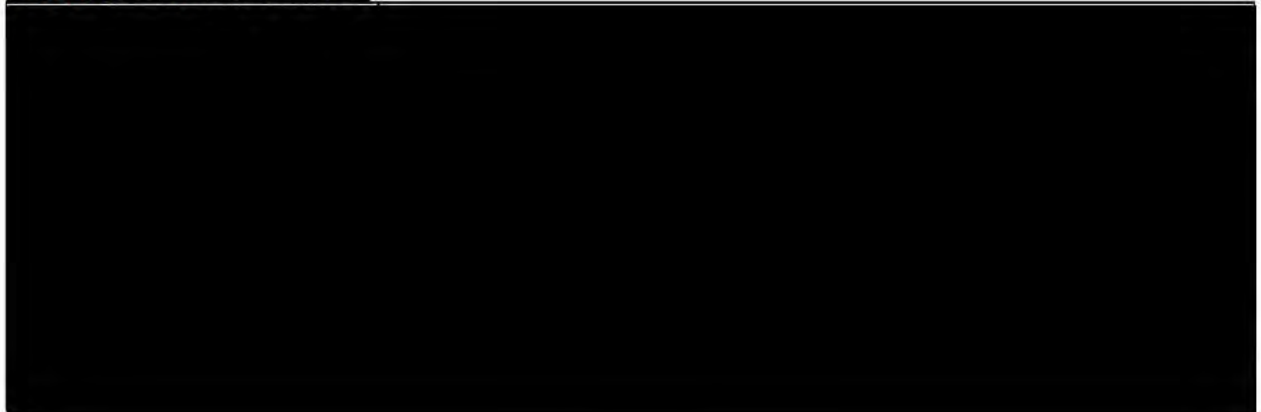
Mission Support

FY 2027 Request

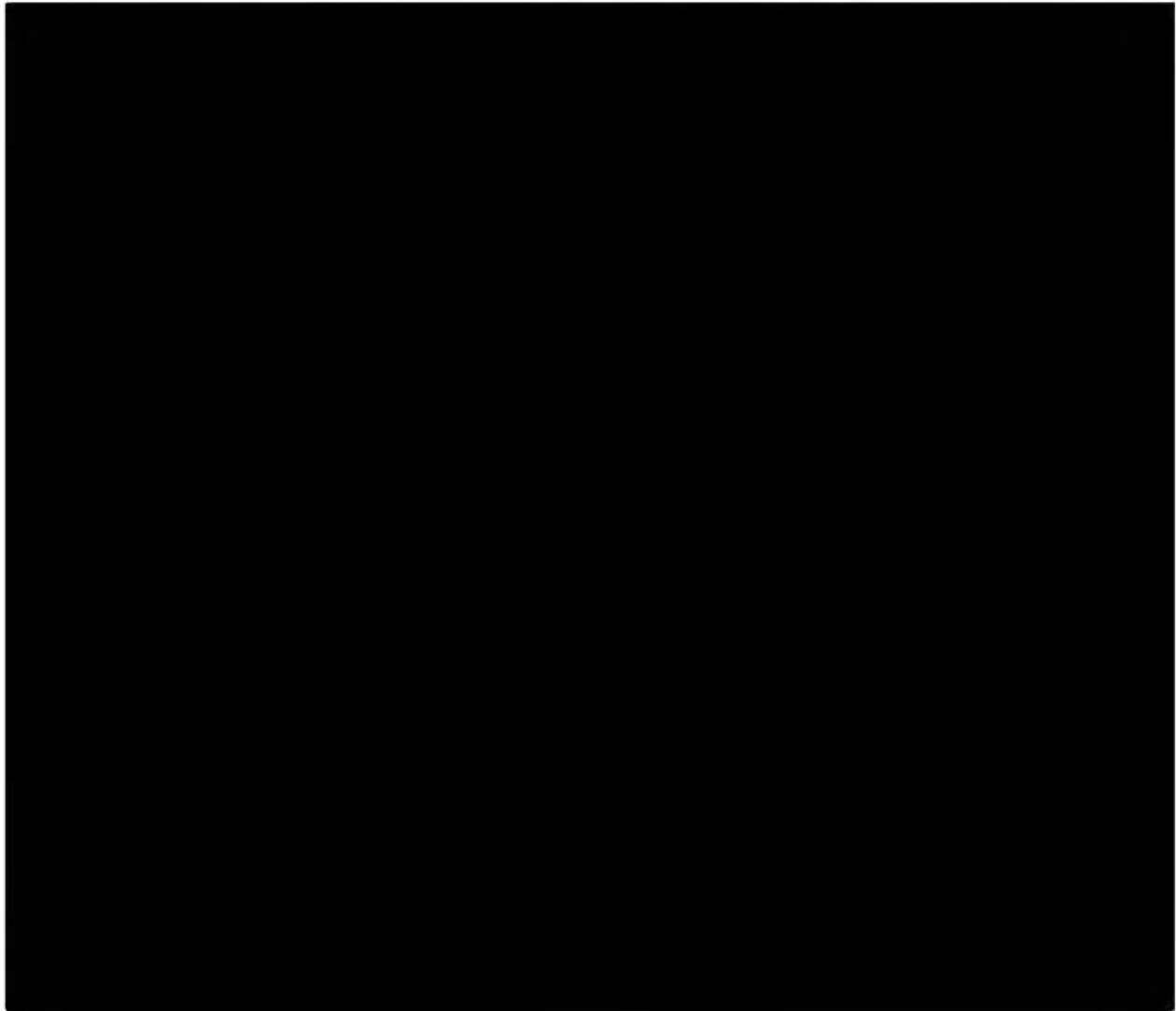
FY 2026 President's Budget level)

Mission Support funds training courses that contain any items related to drug enforcement policy and operational direction, and technical expertise to CBP mission operations. This account also supports critical information technology support to CBP frontline personnel and contract support for acquisition management. It additionally provides funding for support contracts to assist in the development, deployment, operations, and maintenance of border technology.

Funding Guidance Review



NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET



Procurement, Construction, and Improvements

FY 2027 Request: [REDACTED]

[REDACTED] FY 2026 President's Budget level)

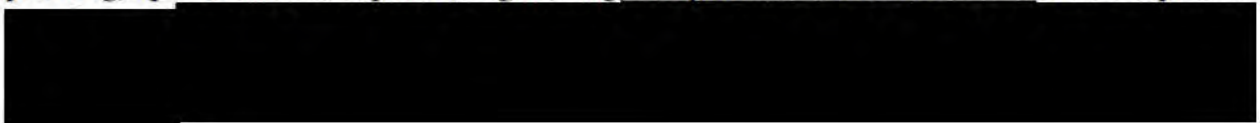
The Procurement Construction & Improvements appropriation provides funds necessary for the planning, operational development, engineering, and purchase of one or more CBP assets prior to sustainment.

Border Security Operations

FY 2027 [REDACTED]

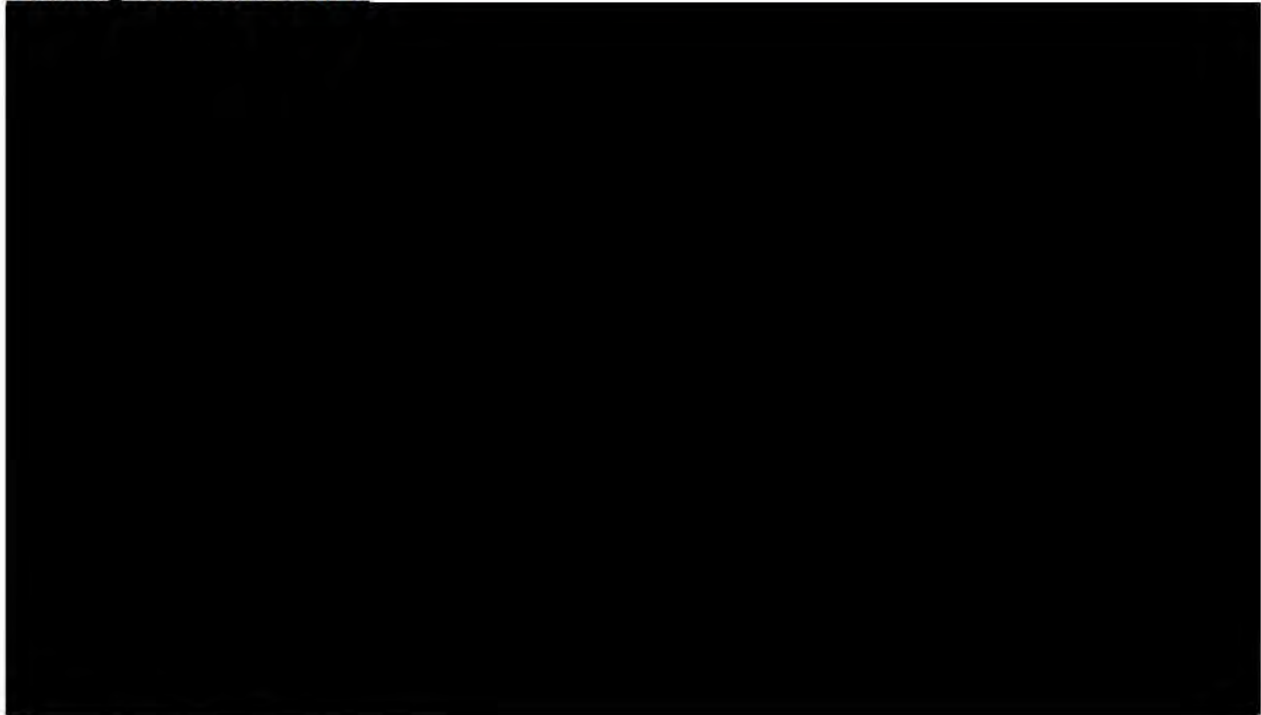
[REDACTED] FY 2026 Request)

The Procurement Construction & Improvements appropriation provides funds necessary for the planning, operational development, engineering, and purchase of one or more CBP assets prior to



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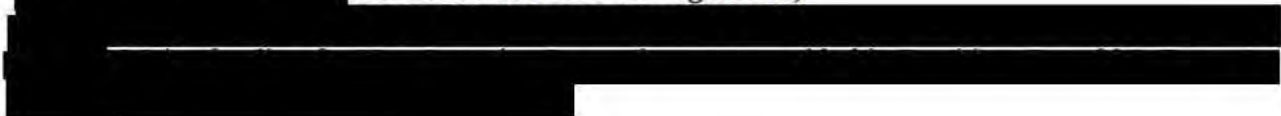
Funding Guidance Review



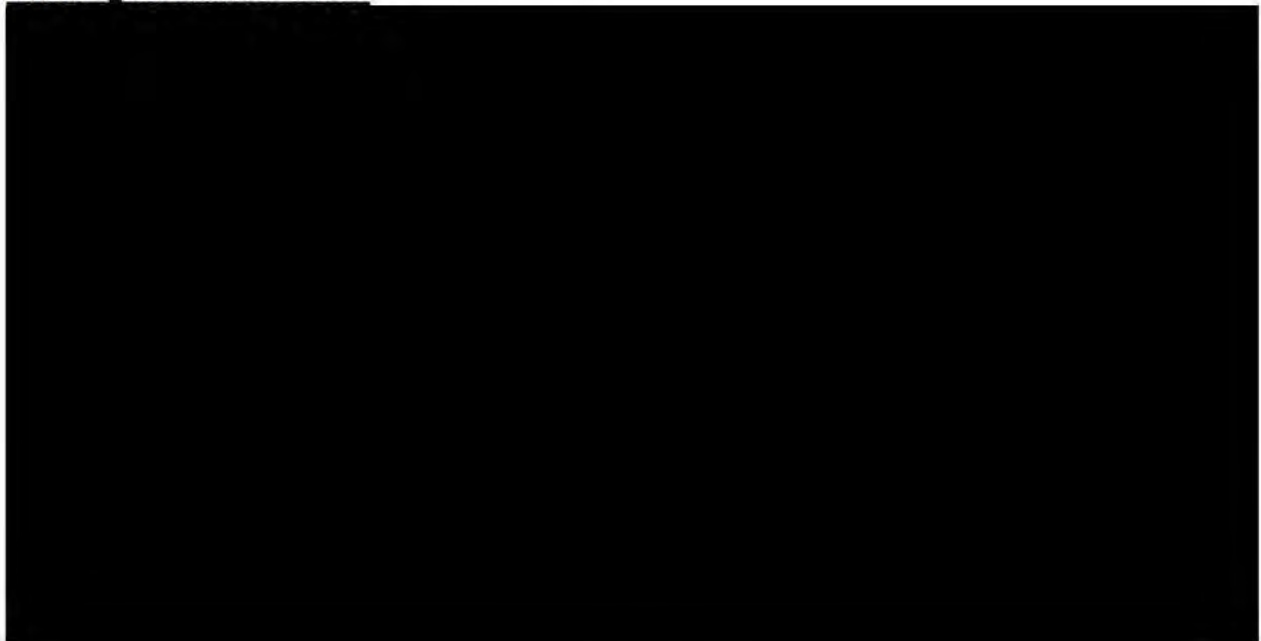
Trade and Travel Operations

FY 2027 Request:

FY 2026 President's Budget level)



Funding Guidance Review



NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

Integrated Operations

FY 2027 Request: [REDACTED]

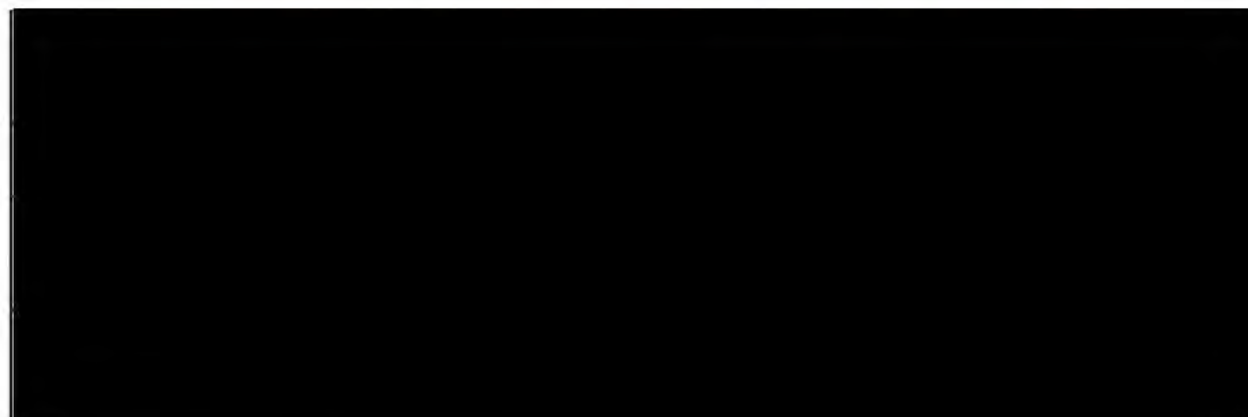
FY 2026 President's Budget level)

The Procurement Construction & Improvements Integrated Operations account funds the procurement of new Air and Marine Operations platforms. CBP Air and Marine aviation assets include rotary wing, manned fixed wing, and unmanned fixed wing aircraft. CBP Air and Marine Operation's range of maritime assets includes interceptor, safe-boat, and utility-type vessels. The FY 2027 budget request [REDACTED]

Funding Guidance Review

[REDACTED]

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET



PERFORMANCE

Information regarding the performance of the drug control efforts of CBP is based on agency Government Performance Results Modernization Act documents and other information that measures the agency's contribution to the *Strategy*. The table and accompanying text represent CBP drug- related achievements through September 30, 2024.

DHS: Customs and Border Protection					
Measures of Performance	FY 2024 Target	FY2024 Actual	FY2025 Target	Program(s)	Budget Decision Unit(s)
Amount of smuggled outbound currency seized at the ports of entry (in millions)	\$27.0	\$20.1	\$27.0	Office of Field Operations	Operations and Support. Procurement, Construction, and Improvements
Number of smuggled outbound weapons seized at the Southwest border ports of entry	250	1,101	250	Office of Field Operations	Operations and Support. Procurement, Construction, and Improvements
Percentage of Joint Interagency Task Force-South Annual Mission Hour Objective Achieved	100%	84%	100%	Air and Marine Operations	Operations and Support. Procurement, Construction, and Improvements
Rate of interdiction effectiveness along the Southwest Border between ports of entry	81.0%	86.%	81%	U.S. Border Patrol	Operations and Support. Procurement, Construction, and Improvements

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Number of joint operations conducted along the Southwest Border by Border Patrol Agents and Mexican law enforcement partners	20	29	20	U.S. Border Patrol	Operations and Support Procurement, Construction, and Improvements
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Discussion

The Office of Field Operations Outbound Enforcement Program conducts risk-based Outbound operations at land border ports of entry, seaports, and international airports to disrupt domestic drug trafficking at the land borders by stemming the flow of potential narcotics-related proceeds destined to domestic criminal or transnational criminal organizations.

The performance measure “Amount of smuggled outbound currency seized at the ports of entry” 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 reducing the supply of illicit substances into the United States at the land border ports of entry.

The performance measure “Number of smuggled outbound weapons seized at the Southwest border ports of entry” assesses the total number of illegal weapons seized at Southwest border points of entry/exit during outbound inspection of exiting passengers and vehicles, both privately-owned and commercial. Weapons are defined as pistols, rifle-shotgun combinations, rifles, revolvers, shotguns, disguised weapons, machine guns, submachine guns or machine pistols. The results are used to assess how many weapons were seized before crossing the border into Mexico. Seizing weapons being smuggled for criminal purposes is important because it strengthens our border security by preventing the movement of assault weapons and ammunition. External factors such as intelligence collection and how much criminal activity is happening at a given location can impact the size /frequency of shipments independent of how well weapons are being detected and seized.

Air and Marine Operations conducts border and extended border operations as part of CBP’s layered approach to homeland security. Air and Marine Operations operates in the air and marine domains along the border and deploys assets in the source and transit zones through coordinated liaison with other agencies and international partners to conduct counter-drug missions.

The performance measure “Percentage of Joint Interagency Task Force-South Annual Mission Hour Objective Achieved” identifies the degree to which Air and Marine Operations meets its intended flight hours for Joint Interagency Task Force-South in support of the Strategy, which is reported to DHS, Office of National Drug Control Policy, and Joint Interagency Task Force-South. This measure assists in evaluating CBP’s success in supporting counter-drug mission in the source and transit zones. In the source and transit zones, Air and Marine Operations coordinates with the larger law enforcement and interdiction community through its partnership with Joint Interagency Task Force-South. Joint Interagency Task Force-South is the tasking coordinator and controller for

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

counter-drug missions within the transit and source zones. Joint Interagency Task Force-South submits its resource allocation requirements through the National Interdiction Command and Control Plan. DHS responds to the requirements in a Statement of Intent, which details a baseline level of effort in terms of assets and resources.

U.S. Border Patrol agents seek to detect and intercept any combination of threats that present themselves along the borders including terrorists, weapons of terrorism, smuggling of narcotics and other contraband, and people who regularly enter the United States without authorization. The interdiction of people can coincide with the interdiction of drugs in the border environment.

The performance measure “Rate of Interdiction Effectiveness along the Southwest Border between the ports of entry” reports the percent of detected noncitizens U.S. Border Patrol apprehended under Title 8 or encountered under Title 42 after crossing the border illegally. This measure assists in evaluating CBP’s success in reducing the supply of illicit substances into the United States between the land border ports of entry. The interdiction of people frequently coincides with the interdiction of drugs in the border environment; therefore, the interdiction effectiveness rate can be associated with effectiveness in resolving all cross-border entries, including those involving persons transporting narcotics.

The performance measure “Number of joint operations conducted along the Southwest Border by Border Patrol Agents and Mexican law enforcement partners” tracks the number of initiated joint operations formalized in Operations Orders, which define levels of participation and dedication of resources for U.S. and Mexican partners. All Category 1, 2, or 3 operations, initiated with Mexican law enforcement agencies as partners, involving any one of the program’s nine Southwest Border sectors--San Diego, El Centro, Yuma, Tucson, El Paso, Marfa, Del Rio, Laredo, and Rio Grande Valley are included. These bilateral law enforcement efforts between CBP and Mexican law enforcement partners at federal, state, and municipal (local) levels enhance both countries’ ability to ensure legal trade and travel, while mitigating border security threats, including illicit activity by criminal organizations and other bad actors.

OPIOIDS

Total FY 2027 Summer Budget: [REDACTED]
[REDACTED] FY 2026 President’s Budget)

Justification

Executive Order 13794 – Establishing the President’s Commission on Combating Drug Addiction and the Opioid Crisis expects the federal government to act to combat the opioid epidemic. The INTERDICTION Act, signed into law in January 2018, requires CBP to increase its ability to interdict fentanyl, other synthetic opioids, and other narcotics and psychoactive substances with screening devices, and to dedicate appropriate resources to interpret data collected by such screening devices during all operational hours.

[REDACTED]

NATIONAL DRUG CONTROL POLICY: FY 2027 SUMMER BUDGET

[illegible]

U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. CUSTOMS AND BORDER PROTECTION
Detailed Accounting Report (DAR) for FY 2025 Drug Control Funds

DETAILED ACCOUNTING REPORT

A. Table of FY 2025 Drug Control Obligations

Table of FY 2025 Drug Control Obligations	FY 2025 Actuals (\$ In Millions)
Drug Resources by Budget Decision Unit	
Operations and Support (O&S)	\$4,290.674
United States Border Patrol	\$1,099.571
Office of Field Operations	\$2,199.537
Office of Information and Technology	\$32.011
Office of Training and Development	\$36.099
Air and Marine Operations	\$901.774
Office of Intelligence	\$4.899
Operations and Support	\$16.783
Procurement, Construction, and Improvements (PC&I)	\$384.231
United States Border Patrol	\$62.306
Air and Marine Operations	\$42.525
Office of Field Operations	\$279.400
Total Resources by Budget Decision Unit	\$4,674.905
Drug Resources by Drug Control Function	
Intelligence	
Operations and Support (O&S)	\$615.553
United States Border Patrol	\$34.024
Office of Field Operations	\$373.182
Office of Information and Technology	\$22.383
Office of Training and Development	\$710.000
Air and Marine Operations	\$901.774
Office of Intelligence	\$4.899
Operations and Support	\$0.000
Procurement, Construction, and Improvements (PC&I)	\$12.461
Air and Marine Operations	\$12.461
United States Border Patrol	\$0.000
Intelligence Total	\$628.014
Interdiction	
Operations and Support (O&S)	\$3,675.121
United States Border Patrol	\$1,065.547
Office of Field Operations	\$1826.355
Office of Information and Technology	\$9.628
Office of Training and Development	\$35.389
Air and Marine Operations	\$721.419
Operations and Support	\$16.783
Procurement, Construction, and Improvements (PC&I)	\$321.925
Office of Field Operations	\$279.400
Air and Marine Operations	\$42.525
Interdiction – Total	\$4,046.891
Total Resources by Drug Control Function	\$4,674.905
High Intensity Drug Trafficking Area (HIDTA)	N/A

Note: Drug resources are broken down by unit and function as reflected in the budget structure enacted in the Consolidated Appropriations Act, 2024, PL 118-42.

1. Drug Methodology

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

The Drug Control Obligations table is based on actual obligations for each decision unit and program office named above for FY 2025. The obligation reports are generated by data reported in CBP's Systems, Applications, and Products in Data Processing (SAP) system, which is a DHS-approved accounting system. SAP is a fully integrated Enterprise Resource Planning (ERP) system that CBP uses to record and report obligations. Each program office multiplies its drug control obligation percentages by its actual total obligations per SAP to estimate obligations related to drug enforcement activities. The drug methodology developed and applied by each program office is described below:

UNITED STATES BORDER PATROL (USBP)

The USBP is responsible for controlling almost 6,000 miles of land borders between ports of entry (POE) with Canada and Mexico, and nearly 2,700 miles of coastal waters surrounding the Florida Peninsula and Puerto Rico. There were 20,079 Border Patrol agents, as of December 27, 2025, assigned to the mission of detecting and apprehending illegal entrants between the ports-of-entry. These illegal entries include aliens, drug smugglers, potential terrorists, wanted criminals, and persons seeking to avoid inspection at the designated POEs due to their undocumented status. It has been determined that 15 percent of USBP's activities are related to drug activities. This percentage was determined based on a historical study of the hours worked by agents, canine officers, and core personnel at various border checkpoints with narcotic-intensive activities. USBP resources come from (1) the Border Security Operations program, project, and activity (PPA) within CBP's Operations and Support (O&S) appropriation, and Border Security Assets and Infrastructure PPA within CBP's Procurement, Construction, and Improvements (PC&I) appropriation.

Of the 15 percent of obligations related to drug enforcement activities, USBP determined through the historical study referred to in the above paragraph that 3.5 percent of agents' efforts are related to intelligence and 96.5 percent are related to drug interdiction. Also, historically, 15 percent of obligations are related to drug interdiction only. These activities include staffing permanent border traffic checkpoints nationwide, including 866 canine units trained in the detection of humans and certain illegal drugs that are concealed within cargo containers, truck trailers, passenger vehicles, and boats. In addition, agents perform line watch functions in targeted border areas that are frequent entry points for the smuggling of drugs and people into the United States.

CBP is the lead agency within DHS for the development and deployment of border technology and tactical infrastructure to secure America's borders. Prior to FY 2017, CBP's Border Security Fencing, Infrastructure, and Technology (BSFIT) appropriation provided multi-year funding for

the CBP program office, USBP, to develop and install technology and tactical infrastructure solutions, enabling a more effective and efficient method for controlling border security. While CBP still has multi-year funds available from previously enacted BSFIT appropriations, CBP transitioned to the DHS Common Appropriations Structure (CAS) beginning in FY 2017. Consequently, the BSFIT appropriation has been discontinued and counterdrug funding is now appropriated through CBP's O&S and PC&I appropriations. All anticipated and actual obligations for drug control activities are now being accounted for through USBP. Obligations for FY 2024 BSFIT carryover funds were captured using the standard calculation of 15 percent of BSFIT obligations.

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

OFFICE OF FIELD OPERATIONS (OFO)

OFO estimates there were 3,316 CBP Officers (CBPO) full-time equivalents related to drug enforcement on enforcement teams in FY 2025. Anti-Terrorism Contraband Enforcement Teams (A-TCET) work closely with the Passenger Enforcement Rover Team (PERT) and Passenger Analytical Unit (PAU) teams to coordinate all enforcement activities. Although the primary mission of A-TCET teams is anti-terrorism, they also focus on all types of contraband, including narcotics. CBP estimates that 69 percent of the A-TCET is devoted to drug enforcement. The smuggling methodologies and their indicators are similar for both narcotics and anti-terrorism activities. Of the funding that is devoted to enforcement teams, OFO estimates that 85 percent is dedicated to interdiction with 15 percent dedicated to intelligence.

OFO had 26,524 CBPOs in FY 2025, who, in addition to the interdiction of contraband and illegal drugs, enforce hundreds of laws and regulations on behalf of many other Federal Government agencies. The other Federal agencies include, for example, the U.S. Fish and Wildlife Service, Bureau of Alcohol, Tobacco, Firearms, and Explosives, and Bureau of Export Administration, among many others. CBP subject matter experts estimate based on activity accounting that approximately 35 percent of these officers' time is devoted to drug-related activities. Of the funding that is devoted to general officer duties, OFO estimates that 80 percent is dedicated to interdiction with 20 percent dedicated to intelligence.

CBP uses a variety of Non-Intrusive Inspection (NII) systems and Radiation Detection Equipment (RDE) systems as part of its layered inspection strategy to achieve its primary mission of securing the Nation's borders and protecting America from the entry of dangerous people and goods. These systems are also used to facilitate the flow of legitimate trade and travel across U.S. borders. It is estimated that 100 percent of the funding for NII is associated with general contraband detection, which would include narcotics. Of the total funding that is devoted to NII, OFO estimates that 100 percent is dedicated to interdiction.

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

The Administration has announced a National Health Emergency to combat the opioid crisis. Seizures of illicit fentanyl have risen substantially in the last four years. Despite increased enforcement actions, there has been a dramatic and disturbing increase in overdose deaths attributable to illicit fentanyl and other synthetic drugs. In response to this rise, OFO continues to procure, deploy, and train employees to improve the agency's capability to detect and interdict

fentanyl and other opioids. Those resources were accounted for in this analysis. CBP has a limited number of narcotic detection devices deployed to its largest POE along the Southwest Border.

CBP also uses three types of canine teams: narcotics/human, drug, and currency. CBP has 680 canine officers in the field. Of the funding devoted to these canine teams, 100 percent of their time is devoted to drug interdiction. CBP has established and deployed a world-class detector dog program to augment existing technology while establishing cutting edge detection capabilities. CBPOs use specially trained detector dogs in interdiction and to support specialized programs aimed at combating the terrorist threat at the Nation's borders, international airports, and seaports.

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

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

This data comes from the Cost Management Information System (CMIS), which provides reliable source data for the drug methodology described above.

OFFICE OF INFORMATION AND TECHNOLOGY (OIT)

OIT's budget supports the drug enforcement mission through the acquisition, support, and maintenance of technology, and mission-critical targeting application systems. Of OIT's spending, it is estimated that 35 percent of Automated Targeting Systems software application costs and 10 percent of TECS and information technology data operations costs are in support of the drug mission. Of this amount, it is estimated that 60 percent is spent on drug interdiction and 40 percent is devoted to intelligence. The determinations surrounding the percentage of OIT spending that related to drug enforcement activities, specifically interdiction and intelligence, were determined through professional judgment and in coordination with CBP operators, who support the drug methodology described above.

OFFICE OF TRAINING AND DEVELOPMENT (OTD)

OTD calculates the portion of their budget attributable to drug control funding by issuing an annual data call for all projected National Training Plan (NTP) funded training courses to assess if courses contain any items related to drug enforcement material and activities. The curriculum of each course is reviewed, and subject matter experts determine course hours delivered related to drug enforcement for this task. If specific courses offered through the NTP contain drug enforcement related material, a specific percentage for that course is defined (hours related to drug enforcement training divided by the total number of course hours). Specific training programs identified include the canine training programs and basic, specialized, and advanced training for CBP officers and agents. OTD's day-to-day operational resources are attributed to drug enforcement activities at the same rate as the NTP course delivery which is 13.34 percent for

interdiction and 0.47 percent for intelligence for FY 2025. These percentages vary during the year of execution depending upon actual course delivery obligation rates.

AIR AND MARINE OPERATIONS (AMO)

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

AMO is the lead operational component within CBP responsible for air and maritime border security. AMO's mission areas include air, maritime, and land law enforcement; domain awareness; extended border and foreign operations; and contingency and national security operations. In this capacity, AMO targets the conveyances that illegally transport narcotics, arms, and aliens across our borders and in the Source, Transit, and Arrival Zones. In FY 2025, AMO P-3 aircraft flew 3,298 hours in drug control efforts, which represents 75 percent of all AMO P-3 hours. These hours were in support of Joint Interagency Task Force-South (JIATF-S) in the Source and Transit zones. AMO P-3's participated in the interdiction of 174,743 pounds of cocaine in the Source and Transit zones. This equates to 53 pounds of cocaine for every counternarcotic hour flown.

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

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

Using flight hours spent performing drug-related activities, AMO has determined that 82 percent of the budget resources that support AMO are considered drug-related. Of the total flight hours flown by AMO, 20 percent were related to intelligence and 80 percent were related to interdiction in FY 2025.

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

OFFICE OF INTELLIGENCE (OI)

The OI directly supports the counter narcotics mission through the deployment of personnel and resources dedicated directly to the drug enforcement mission. The OI directly impacts the counter narcotics mission through program management, training, and source payments of the agency's confidential human source program, serving as the only geospatial analytic element within DHS

and conducting analysis to support ongoing investigations, changing detection to drive law enforcement operations as well as strategic analysis and collections management to identify and illuminate previously unknown actors and threats. Overall, the OI has a total of 69 full-time intelligence research specialists dedicated to working on counter narcotics efforts.

The OI serves as the national program manager for the CBP Confidential Human Source program, a program that has continued to grow each year in both personnel as well as in operational successes with the OI providing training and certification to more than 150 Confidential Human Source handlers. The OI delivers between two and four Confidential Human Source training courses each year for new source handlers with each course costing approximately \$720,000 per session. In FY 2025, the CBP Confidential Human Source program enabled the seizure of over \$361.7 million dollars wholesale value of narcotics.

The OI has been responsible for Confidential Human Source payments, approximately \$2 million per year, due to programmatic sensitivities we are unable to provide exact amounts related to narcotics seizures. To facilitate Confidential Human Source operations and programmatic auditing, the OI spends approximately \$100,000 per year on travel to facilitate these mandatory program audits and direct support to law enforcement partners. In FY 2025, the OI published and disseminated a total of 670 Intelligence Information Reports meeting Presidential Priorities and CBP priorities in response to critical intelligence community requirements meeting national security and transnational organized crime, that highlight the focus on fentanyl, global supply chain, and the flow of narcotics impacting our borders.

The OI has 21 full time dedicated geospatial intelligence analysts supporting unmanned aerial surveillance of counter narcotics missions, totaling more than 12,044 hours last year. Direct analytic support of these missions resulted in the seizure of more than 11,652 kilograms of cocaine and 25,624 pounds of marijuana, seizures worth as much as \$510 million, as well as the apprehension of seven high value targets or members of the Federal Bureau of Investigation's most wanted cartel leaders list. The OI geospatial analysts also conducted more than 6,000 hours of Pole Camera exploitation supporting counter narcotics operations that resulted in seizures of more than 250 kilograms of cocaine and 36 kilograms of fentanyl, seizures with a potential street value of more than \$11 million.

The OI's National Intelligence Watch analysts leverage raw Intelligence Community, law enforcement, and open-source data and information to illuminate current and emerging narcotics trends, to include smuggling routes; smuggling tactics, techniques, and procedures; precursor flows; as well as provide situational awareness regarding nefarious actors and activities. These products provide situational awareness to CBP executive and operational decision makers, as well as to our state and local partners, to inform their decision-making processes. The National Intelligence Watch also delivers all-source analytic and research support to our Regional Intelligence Centers, who are the OI's conduit to providing intelligence support to our operational components.

The OI has a total of 40 full time all source analysts in the Regional Intelligence Centers, analysts that provide daily intelligence support to narcotics investigations and operations to CBP, DHS, Drug Enforcement Agency, and State, Local, Tribal, and Territorial partners locally. These analysts provide direct case support as well as production of hundreds of serialized intelligence reports that are disseminated to the intelligence community. The OI has also dedicated eight full-time employees focused on counter narcotics at the strategic level, these analysts produce the only strategic analysis on narcotics within CBP and are also responsible for developing collection requirements and conducting coordination across the U.S. Intelligence Community.

OPERATIONS SUPPORT (OS)

Laboratories and Scientific Services is an organization of 342 scientists, engineers, criminal forensics experts, and support staff that provides rapid, accurate, and reliable forensic and scientific services to CBP frontline officers and agents in support of CBP's mission to protect the American people, safeguard the borders, and enhance the Nation's economic prosperity. Laboratories and Scientific Services are comprised of eight geographically disbursed field laboratories including the Integrated Narcotics Trafficking Evaluation and Response Center for Detecting International Chemical Threats, 22 Forward Operating Laboratories/Joint Forensic Centers, the Teleforensics Center, and the Interdiction Technology Branch that provide key support services to CBP operators.

These services include forensics and trade laboratory analyses, 24/7 radiation/nuclear and narcotics reach-back, and programmatic and engineering services for CBP's NII program and the Subterranean Illicit Tunnel Program. An estimated 75 percent of the Laboratories and Scientific Services operations provide direct support to counter-narcotic efforts through forensic and scientific analysis completed at regional laboratories or through forward operating laboratories situated on-site and frontline POEs.

2. Methodology Modifications

In FY 2025, the drug control obligation methodology changed to new ONDCP approved approaches for the reported program offices, including the OI and OS. The USBP was the exception, as ONDCP directed USBP to continue using its current methodology until further notice.

3. Material Weaknesses or Other Findings

In FY 2025, CBP contributed to three of the Departmental material weaknesses: IT Controls and Information Systems, Financial Reporting, as well as Revenue and Receivables Reporting. However, CBP's control deficiencies did not impair CBP's ability to report complete and accurate obligation data in the Table of FY 2025 Drug Control Obligations. Also, during FY 2025, CBP joined other DHS components in continuing to make significant improvements in remediating areas of material weaknesses and worked to resolve financial reporting deficiencies through targeted remediation.

4. Reprogrammings or Transfers

The data presented are associated with obligations against a financial plan that properly reflects all changes in drug-related budgetary resources that occurred during the fiscal year, including reprogrammings or transfers. ONDCP approved all reprogrammings or transfers that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget in FY 2025.

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

- ICE Operational Shortfall in the amount of \$312.5 million. This transfer reduced drug-related budgetary resources for USBP (\$136.39M).
- ICE Operational Shortfall 2 in the amount of \$211.57 million. This transfer reduced drug-related budgetary resources for USBP (\$28.14M).

Overall, these transfers decreased CBP's drug-related budgetary resources by a net of \$164.53 million for FY 2025.

5. Other Disclosures

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

B. Assertions

1. Obligations by Budget Decision Unit

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

2. Drug Methodology

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

a. Data

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

b. Financial Systems Security

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

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

3. Application of Drug Methodology

The methodology described in section A.1 above was used to generate the Table of FY 2025 Drug Control Obligations.

4. Material Weaknesses

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

5. Methodology Modifications

With the exception of USBP, the newly ONDCP approved methodology was used for program offices beginning FY 2025. CBP is currently in discussions with DHS/ONDCP regarding updates

to USBP's methodology to ensure the most accurate funding amounts are reported while also strengthening our capability to produce reliable reports and calculations reflecting those amounts.

6. Reprogrammings or Transfers

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

7. Fund Control Notices

The Director of National Drug Control Policy did not issue a Fund Control Notice for CBP for FY 2025.

U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. CUSTOMS AND BORDER PROTECTION
Budget Formulation Compliance Report for Fiscal Year 2025 Drug Control Funds

BUDGET FORMULATION COMPLIANCE REPORT (BFCR)

A. Summer Budget Formulation Information

(1) Summer Drug Budget Transmittal

CBP's Fiscal Year (FY) 2027 Summer Drug Budget Transmittal was provided to the Department of Homeland Security (DHS) Budget Office on July 25, 2025, for further transmission by DHS to ONDCP on July 25, 2025.

(2) Summary Table of Fiscal Year 2025 Summer Drug Control Obligations

	Budget Authority (in Millions)		
	Fiscal Year 2025 Enacted	FY 2026 Request	FY 2027 Request
Drug Resources by Function			
Intelligence	\$628.014	\$631.689	
Interdiction	\$4,046.891	\$3,946.601	
Total Drug Resources by Function	\$4,674.905	\$4,578.290	
Drug Resources by Decision Unit			
Operations and Support	\$4,290.674	\$4,333.534	
Border Security Operations	\$1,099.571	\$1,122.428	
Intelligence	\$34.024	\$34.440	
Interdiction	\$1,065.547	\$1,087.988	
Trade and Travel Operations	\$2,199.537	\$2,250.149	
Intelligence	\$373.182	\$382.750	
Interdiction	\$1,826.355	\$1,867.399	
Integrated Operations	\$923.456	\$896.066	
Intelligence	\$185.254	\$179.912	
Interdiction	\$738.202	\$716.154	
Mission Support	\$68.110	\$64.891	
Intelligence	\$23.093	\$20.350	
Interdiction	\$45.017	\$44.541	
Procurement, Construction, and Improvements	\$384.231	\$244.756	
Border Security Operations	\$42.525	\$36.570	
Intelligence	\$0	\$0	
Interdiction	\$42.525	\$36.570	
Trade and Travel Operations	\$279.400	\$137.000	
Intelligence	\$0	\$0	
Interdiction	\$279.400	\$137.000	
Integrated Operations	\$62.306	\$71.186	
Intelligence	\$12.461	\$14.237	
Interdiction	\$49.845	\$56.949	
Total Drug Resources by Decision Unit	\$4,674.905	\$4,578.290	

Drug Resources Personnel Summary			
Total Full Time Equivalents (direct only)	13,446	13,525	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$23.09	\$23.01	
Drug Resources Percentage	20.2%	19.9%	

B. Assertions

(1) Timeliness of Summer Budget Submission

CBP asserts that the FY 2027 Summer Drug Budget submitted to ONDCP was provided to the Department of Homeland Security (DHS) Budget Office, who then provided it to ONDCP as identified in the section above.

(2) Funding Levels Represent Bureau-Level Request

CBP asserts that the funding request in the FY 2027 Summer Drug Budget submission provided to ONDCP by the DHS Budget Office represents the funding levels in the budget submission made by CBP to DHS, without alteration or adjustment by any official at DHS.



FEMA

May 15, 2026

MEMORANDUM FOR: Sara Carter
Director, Office of National Drug Control Policy

FROM: Cynthia Radway
Chief Financial Officer, Federal Emergency Management Agency

SUBJECT: FY 2025 Office of National Drug Control Policy Circular,
National Drug Control Program Agency Compliance Review

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Dear Ms. Carter:

In accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the Federal Emergency Management Agency (FEMA) is submitting its Accounting and Authentication of FY 2025 Drug Control Funds.

In accordance with ONDCP Circular dated September 9, 2021, Sections 6 and 7 financial disclosures and assertions in the attached report, to the best of my knowledge all the information presented for the FEMA is true and correct and I concur with all assertions associated with FEMA in Section 6 and 7.

As outlined in Section 8, the Department's Inspector General must audit the Compliance Report at least every 3 years – however, FEMA does not meet the minimum threshold requirements for OIG review so is excluded from this requirement.

FEMA's FY 2027 Summer Drug Budget, which contained a FY 2027 Summer Drug Budget Summary Table, was provided to the Department of Homeland Security (DHS) Budget Office on August 4, 2025, for further transmission from DHS to ONDCP on August 4, 2025.

If you require further assistance on this information, please contact Denee Maxwell at denee.maxwell@fema.dhs.gov.

Enclosure:
Accounting and Authentication of FY 2025 Drug Control Funds

*FY 2025 Office of National Drug Control Policy Circular,
National Drug Control Program Agency Compliance Review*

**FEDERAL EMERGENCY MANAGEMENT AGENCY
ACCOUNTING AND AUTHENTICATION OF DRUG CONTROL FUNDS FOR 2025**

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

SECTION 6 ASSERTIONS

6. a. (2) Summer Budget Resource Summary Table

	FY2025 Enacted	FY2026 Request	FY2027 Request
Drug Resources by Budget Decision Unit, Program and Function			
Federal Assistance			
State, Local, and Tribal Law Enforcement Assistance	\$12.150	\$21.000	
Total, Federal Assistance	\$12.150	\$21.000	
Total Funding¹	\$12.150	\$21.000	
Drug Resource Personnel Summary			
Total FTEs (direct only)	---	---	
Drug Resources as a Percent of the Budget			
Total Agency Budget (in billions)	\$4.787	\$4.250	
Drug Resources Percentage	<0.3%	<0.5%	

¹ P.L. 119-21 provides an additional \$450 million for FEMA to administer the Operation Stonegarden grant program. The implementation details and drug resources are pending discussions with agency partners and stakeholders.

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

In accordance with 21 U.S.C. 1703(c)(1)(A), the summer drug budget was submitted to ONDCP on August 4, 2025.

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

I assert that the funding request in the summer drug budget represent the funding levels in the budget submission made by FEMA to the Department without alteration or adjustment by any official at the Department.

SECTION 7 REPORTING – DETAILED ACCOUNTING REPORT

7. a. Drug Control Funding Obligations

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

The following table represents the obligations of the drug control budgetary resources appropriated and available in FY 2025 by Decision Unit and by Drug Control Function.

FY 2025 Federal Emergency Management Agency
Drug Control Obligations

		FY 2025 Actual
A. Drug Resources by Function		
State and Local Assistance (<i>\$ in millions</i>)		\$12.150
	Total ¹	\$12.150
B. Drug Resources by Decision Unit		
Federal Assistance (<i>\$ in millions</i>)		\$12.150
	Total ¹	\$12.150
Total Agency Budget (<i>\$ in billions</i>)		\$4.787
Drug Related Percentage		<0.3%

7. a. (2) Drug Methodology

Operation Stonegarden (OPSG) grants are awarded by FEMA in coordination with the U.S. Customs and Border Protection (CBP). OPSG contributes to efforts to secure the United States borders along routes of ingress from international borders. OPSG supports a broad spectrum of border security activities performed by State, local and tribal law enforcement agencies (LEAs) through increased material, manpower readiness, and the number of “boots on the ground” to better secure our Nation’s borders.

The funds awarded are used in intelligence-informed operations, which may assist with counterdrug efforts. Due to the intricate nature of these operations, CBP is unable to delimit the amount applied toward counterdrug operations; however, they estimate no more than 15-percent of OPSG funding and activity supports counter drug activities.

As OPSG is not specifically a drug enforcement grant program, there is no statutory or programmatic requirement under OPSG to specifically delineate drug interdiction activities or expenditures. OPSG grant funds are primarily used for personnel costs, which are not reported by activity, therefore the exact amount expended for drug enforcement cannot be determined.

7. a. (3) Methodology Modifications

The drug methodology for FY 2025 has not been modified from the previous year, FY 2024.

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

In the FY 2025 financial audit report, FEMA’s independent auditors identified no material weaknesses or significant deficiencies in FEMA’s internal controls over financial reporting specific to drug control programs.

7. a. (5) Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2025.

7. a. (6) Other Disclosures

No other disclosures are necessary to clarify any issues regarding the data reported under this circular.

7. b. Assertions

7. b. (1) Obligations by Budget Decision Unit

The obligations reported by budget decision unit are the actual obligations from FEMA's accounting system of record for the stated Budget Decision Unit.

7. b. (2) Drug Methodology

The drug methodology is based on reliable data. Due to the intricate nature of these operations, CBP is unable to delimit the amount applied toward counterdrug operations; however, they estimate no more than 15-percent of OPSG funding and activity supports counter drug activities.

7. b. (3) Application of Drug Methodology

The drug methodology described in section 7. a. (2) Drug Methodology, above, was the actual methodology used to generate the table above.

7. b. (4) Material Weaknesses or Other Findings

In the FY 2025 financial audit report, FEMA's independent auditors identified no material weaknesses or significant deficiencies in FEMA's internal controls over financial reporting specific to drug control programs.

7. b. (5) Methodology Modifications

The drug methodology for FY 2025 has not been modified from the previous year, FY 2024.

7. b. (6) Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2025.

7. b. (7) Fund Control Notices

Not applicable. ONDCP did not issue any Fund Control Notices to FEMA in FY 2025.

SECTION 8 – INSPECTOR GENERAL AUTHENTICATION

8. d. Unreasonable Burden Exception

FEMA does not meet the minimum threshold requirements for OIG review so is excluded from this requirement.



Homeland
Security

May 14, 2026

Sara Carter, Director
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Ms. Carter,

In accordance with the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, enclosed is the Federal Law Enforcement Training Centers' FY2024 Compliance Review. The submission consists of the mission, drug control methodology and assertions as required in accordance with the above Circular.

To the best of our knowledge the budget formulation, detailed accounting and performance measures, targets and results are accurate and complete.

If you require further assistance on this information, please contact Joshua Adams at (912) 554-4662.

Sincerely,

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Sheronda DeRohn, CGFM
Budget Officer
Chief Financial Officer Directorate
Federal Law Enforcement Training Centers

ONDCP FY 2025 Compliance Report

DEPARTMENT OF HOMELAND SECURITY

Federal Law Enforcement Training Centers (FLETC)

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

SECTION 6 REPORTING – Budget Formulation Compliance Report

6.a. Summer Budget Formulation Information

6.a.(1) Summer Drug Budget Transmittal

The summer budget was submitted from FLETC to DHS Budget on July 22, 2025. The official submission from DHS Budget to ONDCP was delivered on July 23, 2025.

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

	Budget Authority (in Millions)		
	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Summer Budget
Drug Resources by Function			
Investigations	\$54.993	\$57.710	
State & Local Assistance	\$1.719	\$1.835	
International	\$0.573	\$0.612	
Total Drug Resources by Function	\$57.285	\$61.156	
Drug Resources by Decision Unit			
Operations & Support	\$57.285	\$61.156	
Total Drug Resources by Decision Unit	\$57.285	\$61.156	
Drug Resources Personnel Summary			
Total FTEs (direct only)	190	192	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$0.4	\$0.4	
Drug Resources Percentage	15.2%	15.4%	

6.b. Assertions

6.b.(1) Timliness of Summer Budget Submission

FLETC asserts that the initial summer drug budget was submitted from FLETC to DHS Budget on July 22, 2025. The official submission from DHS Budget to ONDCP was delivered on July 23, 2025.

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

FLETC asserts that the funding request in the submission provided represent the funding levels in the budget submission made to the Department without alteration or adjustment by any official at the Department.

SECTION 7 REPORTING – Detailed Accounting Report

7.a. Drug Control Funding Obligations

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

	Obligations (in Millions) FY 2025	Obligations (in Millions) FY 2025 PL-119-21
Drug Resources by Function		
Investigations	\$52.096	\$7.011
State & Local Assistance	\$1.397	
International	\$0.444	
Total Drug Resources by Function	\$53.937	\$7.011
Drug Resources by Decision Unit		
Salaries & Expenses	\$53.937	\$7.011
Total Drug Resources by Decision Unit	\$53.937	\$7.011
Drug Resources Personnel Summary		
Total FTEs (direct only)	190	29
Drug Resources as a Percent of Budget		
Total Agency Budget (in billions)	\$ 0.4	\$0.1
Drug Resources Percentage	14.3%	5.0%

7.a.(2) Drug Methodology

The portion of FLETC's total budget considered to be drug resources is identified by historical trends of drug-related training relative to total student-weeks of training and the associated budget authority required to conduct that training. Advanced training programs with a drug nexus are considered to provide 100% support to drug enforcement activities. State and local training programs with a drug nexus are also considered to provide 100% support. All international training has a drug nexus and is also considered to provide 100% support. FLETC drug enforcement training support is in the following three training functions: Investigations 96%; State and Local Training and Assistance, 3%; and, International Training and Technical Assistance, 1%.

The percentage of the Salaries and Expenses appropriation that supports drug enforcement activities remains constant at 17.6%; however, the percentage of FLETC's total budget authority in support of drug enforcement activities fluctuates.

7.a.(3) Methodology Modifications

There were no modifications to the drug methodology for the previous year to report.

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

FLETC has no material weaknesses or other findings to report.

7.a.(5) Reprogrammings or Transfers

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

7.a.(6) Other Disclosures

Funding received as part of Public Law 119-21 was received after the Summer Budget was due and therefore not included, however the expenditures are included in the Detailed Accounting Report above.

7.b. Assertions

7.b. (1) Obligations by Budget Decision Unit

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

7.b. (2) Drug Methodology

The drug methodology used to calculate obligations of prior year budgetary resources by function and by budget decision unit is reasonable and accurate based on criterion (b) Financial Systems. The financial systems at FLETC that support the drug methodology yield data that fairly presents, in all material respects, aggregate obligations from which the drug-related obligation amounts were derived.

7.b. (3) Application of Drug Methodology

The methodology disclosed in Section A, Disclosure No. 2 was the actual methodology used to generate the Table of Prior Year FY 2025 Drug Control Obligations.

7.b. (4) Material Weaknesses or Other Findings

FLETC asserts that there are no material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations.

7.b. (5) Methodology Modifications

FLETC asserts that there were no Modifications to the methodology for reporting drug control resources from the previous year's reporting.

7.b. (6) Reprogrammings or Transfers

The data presented in Table above are associated with 2025 obligations against a financial plan. Also, as shown above in section **7.a. (5) Reprogrammings or Transfers**, The individual or in aggregate reprogramming/transfer amounts for the fiscal year do not exceed \$5 million or 10 percent of a specific program or account that would require ONDCP's approval.

7.b. (7) Fund Control Notices

Not applicable. ONDCP did not issue any Fund Control Notices to FLETC in FY 2025.



U.S. Immigration
and Customs
Enforcement

May 18, 2026

Ms. Sara Carter
Director, Office of National Drug Control Policy
Washington, DC 20503

U. S. Immigration and Custom Enforcement (ICE) is required by the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, to present information and assertions used in budget formulation, account for funds expended on ONDCP activities, and describe the levels of performance achieved in execution of these activities.

Enclosed are ICE's FY 2025 Detailed Accounting Report (DAR) and the FY 2025 Budget Formulation Compliance Report (BFCR). In FY 2025, ICE reported enacted obligations of approximately \$711.5 million. In compliance with the *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, the following assertions are made:

- ICE's FY 2027 Summer Drug Budget, which contained an FY 2027 Summer Drug Budget Summary Table, was provided to the Department of Homeland Security (DHS) Budget Office on July 26, 2025, for further transmission from DHS to ONDCP on July 30, 2025.
- To the best of my knowledge, the funding request in the FY 2027 Summer Drug Budget submission provided to ONDCP by the DHS Budget Office represents the funding levels in the budget submission made by ICE to DHS, without alteration or adjustment by any official at DHS.
- To the best of my knowledge, the drug control funding obligation assertions, budget formulation assertions, accounting assertions, and performance assertions detailed by ICE within each report and/or submission are accurate and complete.

If you require further assistance on this information, please contact Matthew Lee at Matthew.Lee@ice.dhs.gov.

Sincerely,

DEVONA T MITCHELL

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Devona Mitchell, Assistant Budget Director
Office of Budget and Program Performance
U.S. Immigration and Customs Enforcement

U.S. Department of Homeland Security
U.S. Immigration and Customs Enforcement
Homeland Security Investigations
Detailed Accounting Report of FY 2025 Drug Control Funding

A. Drug Control Funding Obligations

1. Table of Fiscal Year (FY) 2025 Drug Control Obligations

Drug Resources by Budget Decision Unit and Function

	FY 2025 Final (In Millions)
Drug Resource by Drug Control Function	
Domestic Investigations	\$487.062
International Operations	\$10.371
Intelligence: Domestic	\$20.366
Intelligence: International	\$0.335
Total	\$518.134
Drug Resources by Budget Decision Unit	
Salaries and Expenses – Immigration Enforcement	
Total	\$518.134

2. Drug Methodology

U.S. Immigration and Customs Enforcement (ICE) is a multi-mission bureau, and obligations are reported pursuant to an approved drug methodology. ICE's Homeland Security Investigations (HSI) Domestic Investigations, International Operations (IO), and Office of Intelligence uphold U.S. drug control policy as delegated through Office of National Drug Control Policy (ONDCP) initiatives by fully supporting the overall ICE mandate to detect, disrupt, and dismantle smuggling organizations. Accordingly, separate calculations are formulated to determine obligation data for the three HSI-sanctioned programs that undertake counter-narcotic investigative activity, as presented in the table above. The following three sections cover each program in detail.

Domestic Investigations

The methodology for HSI Domestic Investigations is based on investigative case hours recorded in the Investigative Case Management (ICM) system. HSI Special Agents record the type of investigative work they perform in this system in the form of case hours. These case hours can then be aggregated to show the overall level of effort.

Following the close of the fiscal year, HSI uses ICM reports to identify and report the total investigative case hours coded as general narcotics cases or money-laundering narcotics cases. A second ICM report shows the total domestic investigative case hours logged. The percentage of domestic investigative case hours logged is derived by dividing the number of investigative case hours linked to drug-control activities by the total number of domestic investigative case hours. This percentage may fluctuate from year to year. For FY 2025, the actual percentage for Domestic Investigations was 22.92%. To calculate a dollar amount of obligations, this percentage was applied to actual obligations incurred by Domestic Investigations, excluding reimbursable authority. ICE uses the Federal Financial Management System (FFMS) to identify the obligations incurred.

International Operations (IO)

The methodology for IO is based on investigative case hours recorded in ICM. HSI Special Agents record the type of case and related case hours they perform in this system. Following the close of the fiscal year, an ICM report is run to capture investigative case hours coded as general narcotics cases or money-laundering narcotics cases. A second report is run to capture all investigative case hours logged for international law enforcement operations. For IO, the actual percentage of hours that were counter-narcotics related was 7.47% in FY 2025. To calculate a dollar amount of obligations, this percentage was applied to actual obligations incurred by IO, excluding reimbursable authority. The FFMS is the system used to generate the actual obligations incurred.

Office of Intelligence

HSI Criminal Analysts provide intelligence services for Domestic Investigations and IO to support criminal investigations aimed at disrupting and dismantling criminal organizations involved in transnational drug trade and associated money-laundering crimes. The methodology for the Office of Intelligence is based on intelligence case hours recorded in ICM. HSI Criminal Analysts record the type of work and related case hours they perform in the system. Following the close of the fiscal year, a report in ICM is run to capture investigative case hours coded as general-narcotics cases or money-laundering narcotics cases. A second report is generated to capture all investigative case hours logged. The intelligence investigative case hours percentage is derived by dividing the number of investigative case hours linked to drug-control activities by the total number of Intelligence investigative case hours logged for the Office of Intelligence. For FY 2025, 19.41% of the total case hours for the Office of Intelligence were in support of drug-control activities. To

calculate a dollar amount of drug-control obligations, this percentage was applied to actual obligations incurred by the Office of Intelligence, excluding reimbursable authority. The FFMS is the system used to generate the actual obligations incurred.

The Office of Intelligence case hours recorded in ICM capture both domestic and international drug-related activity. The Office of Intelligence calculates the total percentage of case hours that support Domestic and International drug enforcement activity by adding the end of the year total number of domestic and international drug-controlled investigative hours in ICM and dividing these totals by the total number of Domestic drug-related investigative hours and IO drug-related investigative hours. For FY 2025, the resulting percentage is used to determine the amount of work that Intelligence does for international activities (1.62%) and domestic activities (98.38%). The respective percentages are applied to the total Office of Intelligence drug-related obligations as determined above to identify the relative international and domestic obligations expended by the Office of Intelligence for drug-control activities.

3. Methodology Modifications

There were no modifications to the drug methodology from the previous year to report.

4. Material Weaknesses or Other Findings

DHS's Office of Inspector General (OIG) report 25-05, "Independent Auditors' Report on the Department of Homeland Security's FYs 2024 and 2023 Consolidated Financial Statements and Internal Control over Financial Reporting," identified three areas of material weaknesses for ICE. The areas identified were 1) Information Technology Controls and Information Systems, 2) Financial Reporting and 3) Seized and Forfeited Property Other than Monetary Instruments. ICE concurs with the OIG Report concerning the three material weaknesses identified. However, the material weaknesses identified did not impair the agency's ability to report complete and accurate obligation data in the Table of FY 2025 Drug Control Obligations within the ICE HSI Detailed Accounting Report (DAR) of FY 2025 Drug Control Funding (FY 2025 DAR). To address the identified material weaknesses, ICE continues to enhance its internal controls and works to resolve financial reporting deficiencies through targeted remediation.

The IT Controls and Information Systems material weakness continues to affect ICE's ability to fully comply with the financial management system requirements. ICE, working with the Department, continues to focus on controls for all financial related systems, such as the Procurement Request Information System Management (PRISM), the Federal Financial Management System (FFMS), CONCUR and the Data Analytics and Visualization Environment (DAVE). ICE continues to undergo system improvement and modernization efforts.

ICE plans to continue its efforts to remediate the identified material weakness in Seized and Forfeited Property Reporting in FY 2026. ICE has made improvements to the seized and forfeited property system of recording, resulting in enhanced data quality and fiscal reporting. ICE developed new capabilities to improve data quality and provided enhanced guidance and

training. Going forward, ICE will continue remediation efforts in this area to improve controls over the property system of record to include timely and accurate initial entries. ICE will also develop policies and procedures for high seas seizures and communicate the new procedures through training. By remaining diligent and continuing to improve collaboration efforts to address known deficiencies in this area, the Department is confident that controls around the reporting of seized and forfeited property can be efficiently and effectively designed for operations going forward.

5. Reprogrammings and Transfers

As a component of DHS, ICE submits all reprogramming and transfer requests through the Department for approval, and the impact of these changes is assessed by the Department. In FY 2025, the Department approved one reprogramming for HSI Domestic Operations in the amount of \$2,318,320 for an adjustment for a headquarters-directed travel plan for the Border Czar detail. A transfer for Blue Campaign in the amount of \$6,000,000 was received by HSI Domestic Operations. The reprogramming and transfers are reflected in the Table of FY 2025 Drug Control Obligations.

6. Other Disclosures

There are no other disclosures necessary to clarify any issues regarding the data reported.

B. Assertions

1: Obligations by Budget Decision Unit:

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

2: Drug Methodology

The methodology used to calculate obligations of budgetary resources by budget decision unit and function is reasonable and accurate regarding the workload data employed and the estimation methods used. The workload data derived from ICM, discussed in the methodology section above, is based on work performed between October 1, 2024, and September 30, 2025. There is no other estimation method used. The financial system used to calculate the drug-related budget obligations is the FFMS, which is reliable and capable of yielding data that fairly presents, in all material respects, aggregate obligations.

3: Application of Drug Methodology

The methodology disclosed in Section A, Disclosure No. 1 was the actual methodology used to

generate the Table of FY 2025 Drug Control Obligations.

4: Material Weaknesses or Other Findings

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

5: Methodology Modifications

No modifications were made to the methodology for reporting drug control resources for the previous year.

6: Reprogrammings or Transfers

The data presented are associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget 21 U.S.C. § 1703(c)(4)(A) in FY 2025.

7: Fund Control Notices

No Fund Control Notice was issued, as defined by the ONDCP Director under 21 U.S.C. Section 1703(f) and Section 9 of the ONDCP Circular: Budget Execution, to ICE in FY 2025.

U.S. Department of Homeland Security
U.S. Immigration and Customs Enforcement
Budget Formulation Compliance Report FY 2025

A. Summer Budget Formulation Information

1: Summer Drug Budget Transmittal

ICE FY 2027 Summer Drug Budget Transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 26, 2025, for further transmission to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(1).

2: Summer Drug Budget Table

FY 2025 Summer Budget and Performance Summary
DEPARTMENT OF HOMELAND SECURITY
Immigration and Customs Enforcement (ICE)

Resource Summary

	Budget Authority (in Millions)		
	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 RAP Budget
Drug Resources by Function			
Intelligence	\$33.179	\$34.458	
Investigations: Domestic	\$668.371	\$702.941	
Investigations: International	\$9.951	\$10.360	
Total Drug Resources by Function	\$711.501	\$747.760	
Drug Resources by Decision Unit			
Operations & Support	\$711.501	\$747.760	
<i>Intelligence</i>	\$33.179	\$34.458	
<i>Investigations: Domestic</i>	\$668.371	\$702.941	
<i>Investigations: International</i>	\$9.951	\$10.360	
Total Drug Resources by Decision Unit	\$711.501	\$747.760	
Drug Resources Personnel Summary			
Total FTEs (direct only)	2,728	2,727	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$10.0	\$10.0	
Drug Resources Percentage	7.1%	7.5%	

B. Assertions

1: Timeliness of Summer Budget Submission

ICE asserts the FY 2027 Summer Drug Budget Transmittal was submitted to the Department of Homeland Security (DHS) Budget Coordination on July 26, 2025, for further transmission from DHS to ONDCP on July 30, 2025.

2: Funding Levels Represent Bureau-Level Request

ICE asserts the funding request in the submission provided in Section 6.a.(2) of ONDCP Circular: Compliance Review, represents the funding levels submitted to DHS Budget Coordination for further transmission to ONDCP without alteration or adjustment by any official at the Department to the best of our knowledge.

DEPARTMENT OF HOMELAND SECURITY

Immigration and Customs Enforcement

Resource Summary

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Program Summary

MISSION

ICE/HSI, a multi-mission law enforcement agency, utilizes comprehensive border enforcement strategies to identify, disrupt and dismantle significant transnational criminal organizations (TCOs) through the management of key border enforcement, narcotics, and contraband smuggling programs. HSI achieves these objectives by leveraging Title 19, Title 18, Title 8 and

Title 21 authorities, maintaining a cadre of Title 21, cross-designated Special Agents¹ and a Task Force Officer program consisting of more than 4,500 federal, state, and local law enforcement partners from more than 500 agencies.

HSI is responsible for investigating a wide range of domestic and international activities arising from the illegal movement of people and goods into, within and out of the United States. HSI supports the *Strategy* initiatives, and by supporting the overall HSI mandate to detect, disrupt, and dismantle smuggling organizations. The desired outcomes for the execution of DHS action items are disruption of domestic drug trafficking and production; strengthening of international partnerships; and reduction in the availability of foreign-produced drugs in the United States. Increased hours incurred on drug-related cases directly lead to increased detection, disruption and dismantlement of drug smuggling organizations.

METHODOLOGY

HSI's approved drug methodology is based on investigative case hours recorded in the HSI Investigative Case Management System (ICM). HSI agents record the hours they work, categorized by the type of investigation in ICM. Following the close of the FY, a report is produced that aggregates investigative case hours with a general drug case coding and a money laundering drug case coding. A second report is produced, showing all investigative case hours logged. Counter Narcotic (CN) activity percentages are determined separately for each HSI program responsible for CN enforcement. The percentages for Domestic Investigations, International Investigations, and Intelligence programs are determined by dividing the number of investigative case hours linked to drug control activities by the total number of investigative case hours logged by each program. In FY 2024, 31.55 percent of case hours were HSI Domestic Investigations on TCOs, 7.80 percent for HSI International Investigations, and 32.60 percent for Intelligence. The HSI drug budget is projected by applying these ratios to the annual appropriations request for each HSI program executing CN activities.

HSI utilizes the Significant Case Report (SCR) process to report on its impact on the mission. SCRs encompass the diverse categories investigated by HSI Special Agents, including illicit trade, travel, and finance (non-drug-related); illicit trade, travel, and finance (drug related); counter-proliferation; national security; transnational gangs; transnational crimes against children; labor exploitation; and cybercrime.

¹ Interagency Cooperation Agreement Between DEA and ICE Regarding Investigative Functions Related to the Controlled Substances Act, 2009. This agreement provides that DEA will authorize cross-designated ICE agents to investigate violations of Title 21, United States Code. The authority of the Attorney General to cross-designate Federal Law Enforcement Officer to enforce Title 21 has been delegated to the DEA Administrator by Reorganization Plan No. 2 of 1973, Executive Order 11727, dated July 6, 1973, and 28 C.F.R. 0.100 and 0.101.

SCRs demonstrate how HSI investigations have disrupted and dismantled significant investigations of TCOs. HSI coordinated with the Office of National Drug Control Policy (ONDCP) and established new performance metrics in FY 2021 to better indicate the success of CN enforcement across all investigative areas.

The primary measure that is derived from the SCR process for CN is the number of disruptions or dismantlements resulting from significant HSI investigations tied to drug-related, illicit trade, travel and finance involving transnational criminal organizations. Drug-related illicit trade, travel, and finance investigations include the earning, laundering, moving of more than \$5 million per year through repeated exploitation of global movement systems; HSI-led international drug smuggling/trafficking investigations involving significant scope; HSI-led international chemical or illicit drug manufacturing equipment investigations; HSI-led international drug smuggling/trafficking investigations involving overdoses that result in death(s) in the United States; and HSI-led or co-sponsored Organized Crime Drug Enforcement Task Force (OCDETF) investigations.

BUDGET SUMMARY

In FY 2027, ICE requests [REDACTED] for drug control activities. This reflects a [REDACTED] FY 2026 President's Budget.

Operations and Support

FY 2027 Request: [REDACTED]

Y 2026 President's Budget)

The Operations and Support account contributes to the HSI mission of bringing a unified and coordinated focus to the enforcement of federal immigration and customs laws. Salary and Expense resources are used to address terrorism and illegal immigration through the investigation, detention, and prosecution of criminal and non-criminal aliens, domestic gangs, TCOs, and disruption of criminal trade and money laundering associated with illicit drugs. HSI investigative activities protect the infrastructure and persons within the United States by applying a wide range of legal authorities that support the goals and objectives of the *Strategy* to disrupt, dismantle, and destroy the pathways used by TCOs to transport drugs and the proceeds of drug trafficking across the borders.

Intelligence

FY 2027 Request: [REDACTED]

Y 2026 President's Budget)

HSI Intelligence provides criminal analysis to identify and illuminate criminals, their networks, and their modus operandi, thus supporting HSI's criminal investigations and criminal investigative priorities. Consequently, the most efficient enabler of HSI investigations targeting complex transnational organized crime (TOC) networks is intelligence support provided by HSI

Criminal Analysts. An investigation supported by an HSI Criminal Analyst is twice as likely to achieve an arrest. In FY 2024, HSI's criminal analysis directly facilitated over 12,200 arrests and provided support to the HSI seizure of approximately \$640 million in currency and assets.

HSI Intelligence produces and shares its criminal analysis with law enforcement partners to support efforts to disrupt the flow of illicit drugs. HSI Intelligence collects and analyzes information and data from multiple sources, develops the information to enable investigative and enforcement actions and inform decision makers, and disseminates criminal analysis to the appropriate partners to coordinate and de-conflict intelligence and investigative actions.

Domestic Investigations

FY 2027 Request: [REDACTED]

FY 2026 President's Budget)

HSI is the largest investigative component of DHS with over 7,100 Special Agents. HSI Domestic Operations is led by 30 Special Agents in Charge (SAC) managing 237 domestic field offices. Border-related crime and the violence often associated with it pose a significant risk to the public safety and national security of the United States. Therefore, HSI continues to focus enforcement efforts to disrupt cross-border criminal activity related to contraband smuggling, human smuggling, money laundering, weapons trafficking, and other crimes, as well as the dismantlement of the TCOs responsible for these illicit activities. In response to TCO activities, HSI has assigned more than 1,600 Special Agents and 200 Criminal Analysts to Southwest Border Offices.

On January 20, 2025, Executive Order (EO) 14159, titled "Protecting the American People Against Invasion," announced the intent to create Homeland Security Task Forces (HSTFs) with their mission being to end the presence of criminal cartels, foreign gangs, and TCOs globally; to dismantle cross-border human smuggling and trafficking networks, with a particular focus on such offenses involving children; and to ensure the use of all available law enforcement tools to faithfully execute the immigration laws of the United States. The HSTF network will also focus on the designated Foreign Terrorist Organizations (FTOs) as designated by EO No. 14157, "Designating Cartels and Other Organizations as Foreign Terrorist Organizations and Specially Designated Global Terrorists."

The HSTF structure provides for the establishment of permanent multi-agency teams that will work side-by-side in the same office space within a core city location with subsequent primary offices being where these task force members will work together on intelligence-driven, multi-jurisdictional operations against a continuum of priority targets. These HSTFs will capitalize on the synergy created through the long-term relationships forged by investigators and analysts who remain together over time.

The HSTFs will eliminate redundancies and inefficiencies by leveraging existing structures and capabilities within the DHS's ICE, HSI-led Border Enforcement Security Task Forces (BESTs) and the Department of Justice's Federal Bureau of Investigation (FBI)-led TOC Task Forces and OCDETF Strike Forces which together provide the strong foundation to build an HSTF network. These HSTFs will integrate existing ONDCP High Intensity Drug Trafficking Area (HIDTA) multi-agency initiatives nationwide as well as expand the counterdrug mission of the HSTF in accordance with the stated EOs.

Moving forward, any new or existing investigative and/or intelligence initiatives related to criminal cartels, foreign gangs, cross-border human smuggling and trafficking networks and other TCOs must be presented to the HSTF with a first right of refusal. The requested resources will support investigative efforts, coordination with federal, state, local, and foreign law enforcement agencies, and participation in multiple task forces to counter the flow of all illicit drugs into and out of the United States.

In further support of interagency collaboration, HSI will continue active participation in the DEA Special Operations Division (SOD), which is an interagency coordination and intelligence center consisting of representatives from multiple foreign and domestic federal law enforcement agencies that include DEA, FBI, and the Internal Revenue Service. During field investigations, these centers allow HSI to target the command and control of communication devices employed by criminal organizations operating across jurisdictional boundaries on a regional, national, and international level. Additionally, HSI will continue participation at the National Targeting Center (NTC) in collaboration with CBP, to enhance the shared border security mission. HSI's collaborative presence at the NTC supports the entire border security continuum from CBP interdictions to HSI investigations, culminating in the joint exploitation of intelligence. These centers also allow HSI to deconflict and coordinate information as well as investigative efforts among law enforcement agencies, foreign and domestic, to maximize efforts to disrupt and dismantle targeted organizations.

As TCOs continue to explore methods to conceal illicit smuggling at the land border POEs by blending into the legitimate mass cross-border traffic, TCOs also seek to exploit the International Mail Facilities (IMFs) and Express Consignment Carriers (ECCs) that handle and sort through large volumes of mail and parcels entering and crossing the United States to conceal their illicit activities. Law enforcement faces the challenge to find adequate resources to target, identify, interdict, and investigate every prospective 10-gram parcel of fentanyl, which is approximately the size of two and a half packets of sugar. HSI, to prevent the opioid trafficking through the IMFs and ECCs, relies on advance data, targets supply chain networks, coordinates with domestic and international partners, and through the BEST platform provides field training to include officer safety and smuggling trends

HSI will use the requested resources to continue funding operations such as the Cross-Border Financial Center's Bulk Cash Smuggling Section (BCSS), which targets bulk cash smuggling and the use of alternate value platforms to transfer illicit value both domestically and internationally. Bulk cash smuggling is a preferred method of operation for TCOs to smuggle funds into or out of the United States. The BCSS is focused on disrupting facilitation pipelines used to move currency and other forms of value derived from illicit activities such as the smuggling of drugs, weapons, and contraband, as well as human trafficking and foreign political corruption. HSI has refined its ability to target money laundering and financial violations through the BCSS, which supports long-term, multi-jurisdictional bulk cash investigations.

HSI continues to target Drug Trafficking Organizations (DTOs) by developing intelligence to identify drug smuggling schemes, trends, and violators through operational programs managed by the HSI Narcotics and Contraband Smuggling Unit; strengthening the international development and expansion of the NTC – Investigations (NTC-I) National Initiative for Illicit Trade Enforcement (NIITE) to exploit criminal organizations via information technology; prioritizing investigative focus on border violators and the TCOs they support; prioritizing drug-related investigations to those involving HSI-led international drug smuggling/trafficking investigations involving significant scope; HSI-led international chemical or illicit drug manufacturing equipment investigations; HSI-led international drug smuggling/trafficking investigations involving overdoses that result in death(s) in the United States; and HSI-led or co-sponsored OCDETF investigations and prioritizing drug-related investigations to criminals earning, laundering, or moving more than \$5 million per year through repeated exploitation or evasion of global movement systems.

On December 9, 2022, HSI issued the *Strategy for Combating Illicit Opioids*, which aligns with the strategic framework of the *Strategy* and includes four primary goals:

- Goal 1: Reduce the International Supply of Illicit Opioids.
- Goal 2: Reduce the Domestic Supply of Illicit Opioids.
- Goal 3: Attack the enablers of illicit opioid trafficking: illicit finance, cybercrime, and weapons smuggling.
- Goal 4: Conduct outreach with private industry, the public, and law enforcement domestically and abroad.

Since the implementation of the *Strategy for Combating Illicit Opioids*, HSI has and will continue to work with DHS and other federal, state, local and non-governmental partners to disrupt the supply of illicit opioids across the drug supply chain. HSI will continue to drive operations, initiatives, and actions across the government as an integrated approach to dismantle TCOs fueling the opioid epidemic in the United States.

Additionally, the HSI Financial Crimes Unit (FCU), in conjunction with the NTC-I Trade

Transparency Unit (TTU) continues to provide the analytic infrastructure supporting financial and trade investigations. The FCU and NTC-I/TTU identifies and analyzes complex trade-based money laundering systems. NTC-I/TTU's unique ability to analyze domestic trade and financial data, in addition to the trade and financial data of foreign cooperating partners, enables HSI to identify transnational money laundering methods and schemes used by international and domestic criminal organizations. There is a total of 19 operational HSI TTUs in existence globally, with the TTU in Bogota, Colombia, as an example, having been established in 2004.

By developing relationships with foreign counterparts through TTUs, HSI built the framework to successfully investigate and prosecute international money laundering and illicit trade cases. With a systematic program of expansion, training, support, and flexibility, TTU maintains the highest levels of expertise and institutional knowledge in the financial and trade investigations arenas. TTU maintains partnerships with Argentina, Australia, Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Panama, Paraguay, United Kingdom, Philippines, Dominican Republic, Uruguay, Chile, Peru, Bolivia, Costa Rica, and France.

HSI, in partnership with CBP, employs the NIITE maritime targeting model by leveraging global maritime shipping industry data in conjunction with other intelligence holdings to support domestic and foreign offices efforts to illuminate TCOs that operate domestically and in foreign countries. HSI is focused on industries and nations that produce known precursors that are diverted to illegally produce fentanyl, methamphetamine, and other narcotics supplied to the United States. These targeting leads have produced actionable seizures of narcotics and precursor chemicals leading to further intelligence gathering and case support for ongoing domestic and foreign investigations. HSI's efforts have led to the indictments and arrests of several high level TCO members in bilateral investigations.

HSI has developed a methodology, "Operation Hydra," which is an intelligence-based CN operation designed to target the illicit shipment of fentanyl and precursors from foreign locations that are destined for the United States. "Operation Hydra" works by enabling HSI to identify and analyze criminal networks by processing large amounts of financial data combined with additional government data holdings, open source/social media, and communication records, and electronic search warrants to identify suspicious shipments and transactions between China, India, the United States, and narcotics source countries such as Mexico. In FY 2024, HSI seized over 800,000 lbs. of pre-cursor chemicals intended for the production of illegal drugs.

HSI has also applied the intelligence-based methodology developed under "Operation Chain Breaker" to the identification of pill presses, encapsulating machines and their related dies, molds and parts being imported to the United States and Mexico in furtherance of illicit synthetic opioid manufacturing. HSI employs this methodology under "Operation Chain Breaker" and has

achieved significant seizures of such items both in the United States and Mexico. Under “Operation Chain Breaker,” HSI investigations have identified several individuals and businesses based in Mexico and China that are involved in illicit opioid manufacturing and have worked to apply federal criminal charges and sanctions under the Office of Foreign Asset Control.

HSI develops close ties with other federal agencies to coordinate complex, priority investigations through the Special Operations Unit (SOU). The HSI SOU is situated in a multi-agency coordination center at DEA SOD which consists of representatives from 36 different federal, state, intelligence, and foreign agencies. SOU utilizes both classified and unclassified law enforcement resources to assist HSI field offices in dismantling TCOs by identifying and exploiting the command-and-control networks used by the criminal enterprise and collaborating with other agencies. SOU also serves as a real-time de-confliction and coordination center for criminal communication devices to ensure officer safety, prevent potential “blue-on-blue” situations, and support criminal network dismantlement.

International Investigations

FY 2027 Request: [REDACTED]

FY 2026 President’s Budget)

HSI is responsible for enhancing national security by conducting and coordinating international investigations involving TCOs and serving as ICE’s liaison to foreign law enforcement counterparts overseas. HSI coordinates with the DEA on its overseas narcotics investigations.

HSI has formed and continues to grow multinational task forces focused on bilateral investigations and joint efforts in the identification and interdiction of narcotics bound for the United States, with an emphasis on prosecution of those TCOs responsible for such illicit shipments. The prosecutions are supported through extraditions and mutual legal assistance agreements and treaties that are aimed at the dismantlement of cocaine laboratories, in addition to the identification and investigation of pre-cursor chemicals entering those host countries for the purposes of cocaine production.

HSI supports the *Strategy* by attacking the supply chains of DTOs and disrupting key business sectors to weaken the economic basis and benefits of illicit drug trafficking. Much of the illegal drug market in the United States is supplied with illicit narcotics grown or manufactured in foreign countries and smuggled across the Nation’s borders. HSI agents assigned to overseas offices work with host country law enforcement to assist HSI domestic agents with enforcing a wide range of criminal statutes, including Title 18 and Title 19 of the U.S. Code to investigate transnational crimes. These statutes address general smuggling issues as well as customs violations. HSI also conducts Title 21 investigations, which target transnational criminal activity involving the importation, distribution, manufacture, and possession of illegal narcotics. HSI

Special Agents enhance drug trafficking investigations using their authorities under Title 8 to target foreign nationals linked to DTOs.

On September 27, 2011, HSI officially established the Transnational Criminal Investigative Unit (TCIU) Program. HSI TCIUs comprise foreign law enforcement officials, customs officers, immigration officers, and prosecutors who undergo a strict vetting process to ensure that shared information and operational activities are not compromised.

HSI TCIUs facilitate information exchange and rapid bilateral investigation of weapons trafficking and counter-proliferation, money laundering and bulk cash smuggling, human smuggling and trafficking, narcotics trafficking, intellectual property rights violations, customs fraud, child exploitation, cyber-crime, and many of the other 400 violations of law within HSI's investigative purview. There are over 640 foreign law enforcement officers among these 15 TCIUs, and three International Task Force units, across 18 countries. For reference, in FY 2025, as of July 3, 2025, HSI TCIUs were responsible for the seizure of \$32.9 million in currency (USD equivalent) and the seizure of over 329,138 pounds of cocaine and 203,451 pounds of drug precursors, as well as the criminal arrests of over 1,735 individuals.

In Mexico, where six out of the eight most recently designated foreign terrorist organizations (FTOs) are based, HSI plays a leading role in efforts to combat cartel operations alongside Government of Mexico (GOM) partners. HSI Mexico, the agency's largest international office, has two TCIUs which play critical roles in advancing the most significant HSI investigations targeting cartel operatives and activities. Since the start of FY 2025, HSI Mexico, primarily through its TCIUs, has played a central role in the arrest and capture of high value cartel targets; the seizure of tons of synthetic drug precursors and thousands of kilos of narcotics; the dismantlement of multiple synthetic drug labs; the seizure and investigation of illegally trafficked weapons; and the arrests of human smugglers. Through its TCIUs, HSI's partnership with the GOM has produced some of the most concrete, tangible results in the counter-cartel fight in Mexico this year. HSI anticipates the joint cooperation with GOM investigating and capturing high value targets, targeting illicit revenue streams, combatting arms flows, and disrupting precursor chemical supply chains will continue at its current level and will impact and degrade cartel capabilities in Mexico, thereby enhancing the security of the United States.

HSI oversees the Biometric Identification Transnational Migration Alert Program (BITMAP), a host-country-led initiative in which HSI trains and equips foreign counterparts to conduct tactically targeted collection of biometric and biographic data on suspected individuals via mobile biometric collection devices. BITMAP aims to strengthen law enforcement investigations, border security and counterterrorism efforts in the United States and in Partner Nations (PNs) by providing foreign law enforcement with biometric/biographic collection capability. Through the program, HSI seeks to mitigate criminal and cross border illicit activity

in the United States and in foreign PNs. BITMAP's focus is to provide specialized technical equipment and advisory support to HSI foreign law enforcement counterparts for the collection of biometric and biographic data from third-country nationals in support of criminal investigations. Foreign law enforcement partners share their BITMAP information with HSI in a joint effort to identify transnational criminals, "Known or Suspected Terrorists" (KST), gang members and other persons of interest. Information shared through BITMAP may provide enhanced U.S. border security, consular, and law enforcement agencies with the information necessary to prevent known criminal and terrorist threats from entering the United States. The strategic vision of the BITMAP program is to develop a high-impact global network of foreign law enforcement partners whose biometric collection and investigative missions are mutually beneficial and inextricably intertwined with HSI's goal of protecting the homeland. HSI currently conducts dedicated BITMAP operations in 20 countries.

In FY 2024, HSI BEST and HSI International Operations provided training to foreign national law enforcement officers assigned to domestic BEST units, to include Mexican law enforcement. This initiative engaged foreign national law enforcement officers in temporary assignment as subject matter experts to domestic BEST units. This training enhances foreign national law enforcement capacity by coordinating foreign national law enforcement officers' training in support of international cross-border efforts across multiple countries to identify, disrupt, and dismantle TCOs that seek to exploit border vulnerabilities and threaten public safety on both sides of the shared border.

Additionally, HSI plays a critical role in developing its foreign partners abilities to detect and intercept illicit drugs in their domestic mail and express consignment systems. For example, following successful significant seizures of methamphetamine in foreign mail centers bound for Europe from other regions of the world, HSI and its law enforcement partners in Spain investigated and dismantled a clandestine laboratory used to process methamphetamine within the Iberian Peninsula. HSI offices abroad are actively working through multinational task forces, as well as providing capacity building to those law enforcement partners, and outreach and training with private sector entities in those nations to identify and interdict narcotics prior to their entering the United States. HSI cooperates with European law enforcement agencies in joint investigations at post, package and airport facilities to identify and intercept narcotics shipments being sent via mail and parcel post to the United States after their purchase from darknet marketplaces. In South Africa, HSI continues to work with postal authorities to identify and investigate internet pharmacies who illicitly ship controlled medications, including opioids, to the United States.

HSI New Delhi, in close coordination with the Government of India, is leading several high-priority investigations targeting transnational criminal networks involved in the production and trafficking of fentanyl precursors and counterfeit medications. These operations address the

illegal manufacture, shipment, and global distribution of controlled substances that violate U.S., Indian, and international laws—activities that pose serious risks to public health and undermine the integrity of the global pharmaceutical supply chain. To strengthen international enforcement capabilities, HSI New Delhi has delivered advanced, scenario-based training to Indian law enforcement agencies, focused on cross-border investigations of pharmaceutical smuggling. This specialized program equips participants with the tools and techniques necessary to identify, track, and intercept illicit shipments of precursor chemicals and counterfeit drugs. By enhancing investigative capacity and fostering international cooperation, the training plays a critical role in disrupting illicit pharmaceutical networks at their source. HSI's money laundering control program investigates financial crimes and interdicts bulk currency shipments exported out of the United States. HSI tracks financial crimes related to the drug trade and reports the dollar value of real or other property seized from drug operations. In FY 2024, HSI seized \$257.5 million from currency and assets derived from drug operations. The seizure of currency and assets reduces the financial incentives for criminal activity.

Opioids

In April 2019, the People's Republic of China announced its intent to control all fentanyl-related substances, adopting the legal definition in DEA's rule, with some minor additions, and adding it to the Supplementary List of Non-Medical Narcotic Drugs and Psychotropic Drugs. Shortly after the new regulations were adopted, HSI observed a decrease in fentanyl seizures, shipped directly from overseas, at the ECCs and IMFs. Conversely, HSI observed a steady increase in seizures of fentanyl smuggled along the Southwest land border through FY 2023.

From FY 2020 through FY 2023, HSI observed fentanyl seizures made at land border POE along the southern border were higher in number and larger in volume. Fentanyl seizures from mail and ECC facilities were consistently more pure and deadlier than fentanyl seized along the southern border. Laboratory results of tested fentanyl have identified that most of the illicit fentanyl seized in the international mail and ECC environments is shipped in concentrations of over 90 percent, whereas most fentanyl in the land border port of entry environment is seized in concentrations of less than 10 percent. Purchasers can also access open source and Dark Web marketplaces directly for fentanyl and other illicit opioids, where they can be easily purchased.

Starting in FY 2024, HSI observed a decrease in fentanyl seizures along the southwest border. To date, fentanyl seizures have continued to drop in FY 2025. This corresponds with a decrease in border crossings through southwest border Ports of Entry (POE) and illegal border crossings between the POEs. The decline in seizures correlates with a 27 percent decrease in fatal drug overdoses as reported by the Centers for Disease Control and Prevention.

HSI's strategy concerning the fentanyl/opioid threat encompasses several campaigns which

restrict the flow of fentanyl and precursors into the country. Precursors are often purchased from traditional chemical producing nations through proxy companies and via enterprises which then have shipments diverted from their legitimate supply chains. HSI, NTC-I assists HSI Domestic and International offices by targeting illicit precursor movements within commercial modalities of transportation to include air and maritime cargo modalities. NTC-I employs multiple data streams and the subject matter expertise of CBP officers to illuminate anomalous shipments indicative of possible illicit chemical precursor movements. In some instances, NTC-I has been able to assist with the detection and seizure of containerized shipments of precursor chemicals being sent directly from China to Mexico by facilitating the inspection and copying of document shipments between the Shipper and Consignee as they transit the United States. HSI's unique and far-reaching authorities to enforce and regulate the movement of carriers, persons, and commodities between the United States and other nations enables HSI to play a key role, in conjunction with state and local law enforcement partners, across the country to combat large-scale fentanyl trafficking organizations.

HSI BESTs have traditionally been the largest platform used to carry out HSI's comprehensive, multi-layered strategy to combat TCOs involved in the smuggling of poly shipments of drugs. This strategy facilitates the immediate application of investigative techniques on seized parcels, which aids in establishing probable cause needed to effect enforcement actions on individuals associated with fentanyl laden parcels. Consequentially, these seizures and arrests disrupt the movement of illicit opioids and opioid precursors transiting through the mail and express consignment shipments, and aid in the dismantling of distribution networks.

Recognizing that transactions conducted on the Dark Web often involve the utilization of cryptocurrency, in FY 2017, to combat the fentanyl crisis and related financial crimes, the HSI Financial Crimes Unit and the Cyber Crimes Unit instituted the CyberFinancial Program (CFP). The CFP is a concerted effort in cryptocurrency and Dark Web training and outreach for HSI internal investigators and analysts as well as federal, state, local, and international law enforcement partners to strengthen the global awareness and knowledge needed to combat the emerging threat. In FY 2024, CFP conducted 23 virtual Introduction to Virtual Currency Investigations courses to 2,713 participants from across the globe, consisting of approximately 2,508 Law Enforcement Officers and analysts, and 205 non-government officials. In addition, CFP in conjunction with Cyber Crimes Center (C3), participated in Virtual Currency and Darknet Investigations courses to an audience of approximately 400 foreign Law Enforcement Officers. The CFP contributed to the initiation of 418 HSI led investigations, 257 criminal arrests, and the seizure of \$148 million in U.S. Currency related to virtual assets.

With the increasing trend of illicit finance in the cryptocurrency market, the Financial Crimes Unit (FCU) Virtual Assets Program has continued to support financial related cryptocurrency investigations. These crypto related investigations cover all criminal typologies: financial fraud

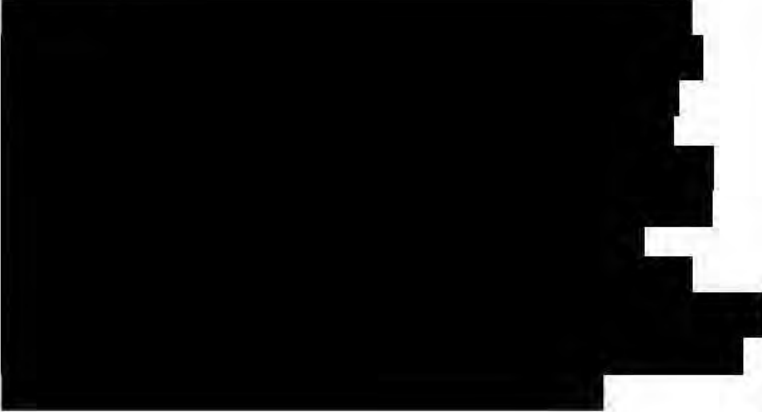
(i.e., investment Ponzi schemes, Pig-Butchering, business email compromise, etc.), sanctioned jurisdiction/entities, terrorist financing, child exploitation, and the laundering of narcotics proceeds. As HSI has identified this new methodology used by TCOs in using cryptocurrency as a value transfer method, HSI is devoted to strengthening their resources to detect, deter, and disrupt their financial operations.

FCU, in accordance with our Cyber Crimes Unit (C3), are working together with our Undercover Operations Unit in further development of capturing key data identifiers in money pickup operations. Some of the key identifiers will include your traditional data such as bank account, dollar amount, and other information; however, with cryptocurrency, additional identifiers will be needed such as wallet addresses, and types of cryptocurrencies used to transfer value. Along with supporting current investigations, FCU Virtual Asset Program recognizes many of these illicit proceeds are consolidated at a centralized crypto exchange account point, layered through second/third tier accounts to include decentralized exchanges and dark web exchanges; subsequently, the crypto is off ramped into fiat currency overseas. Some common crypto exchange vendors have been identified in facilitating illicit finance and they are known complicit actors in our international law enforcement community.

Based on the 2025 Chainalysis Crypto Crime report, for FY 2024, it indicated a total volume of \$40 billion plus in illicit proceeds (of which \$1.6 billion represented the Darknet Markets) transiting through illicit addresses. Combined with HSI's fiscal year statistics, in particularly the substantial amount in seized virtual assets/cryptocurrency collectively for FY 2021 – FY 2024 of over \$4.2 billion, HSI believes the cryptocurrency global marketplace has already become the mainstream space to launder money.

To streamline investigations, especially the conversion aspects of fiat currency to/from cryptocurrency, FCU Virtual Assets Program will be synced with Bulk Cash Smuggling once the BCSS is absorbed under the Cross Border Financial Crime Center, Financial Crimes Unit. The FCU Virtual Assets Program will continue to support these crypto related financial investigations, along with adding additional program managers, and cryptocurrency analysts specialized in blockchain tracing. Collectively, FCU will work with internal stakeholders such as C3, Public Safety & Border Security (PSBS), BEST, and other cross units to combat narcotics trafficking and its illicit finance. Additionally, FCU will also be engaged with state, local, and international partners, since this is a global issue.

Funding Guidance Review

FY 2027 Funding Guidance	Was the Guidance Addressed?
	
	
	
	
	

	[REDACTED]
[REDACTED]	[REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED]



May 14, 2026

Sara Carter
Director
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. Carter,

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, enclosed is the Science and Technology Directorate's FY 2027 Summer Budget and Detailed Accounting Report for FY 2025. The Summer Budget submission [REDACTED] Previously approved ONDCP methodology, account structure and equity related information remains unchanged.

Enclosed are S&T's FY 2027 Summer Drug Budget and the FY 2025 Detailed Accounting Report.

In compliance with the ONDCP Circular: National Drug Control Program Agency Compliance reviews, dated September 9, 2021, I am writing to make the following assertions:

- S&T's FY 2027 Summer Drug Budget, which contained the Summer Drug Budget Resource Summary Table, was provided to the Department of Homeland Security (DHS) Budget Office on July 17, 2025, for further transmission from DHS to ONDCP on July 22, 2025.
- To the best of my knowledge, S&T provided the FY 2027 Summer Budget submission to DHS without alteration or adjustment by any government official.

To the best of my knowledge, the drug control funding obligation assertions, budget formulation assertions, accounting assertions, and performance assertions detailed by S&T within each report and/or submission are accurate and complete. If you have any questions, please contact me at 202-853-6838 or via email at Melanie.Cummings@hq.dhs.gov.

Sincerely,

MELANIE C
CUMMINGS

Digitally signed by MELANIE C
CUMMINGS
Date: 2026.05.14 17:15:30 -04'00'

Melanie Cummings
Principal Director, Enterprise Services
Science and Technology Directorate

FY 2027 Summer Budget Review

DEPARTMENT OF HOMELAND SECURITY

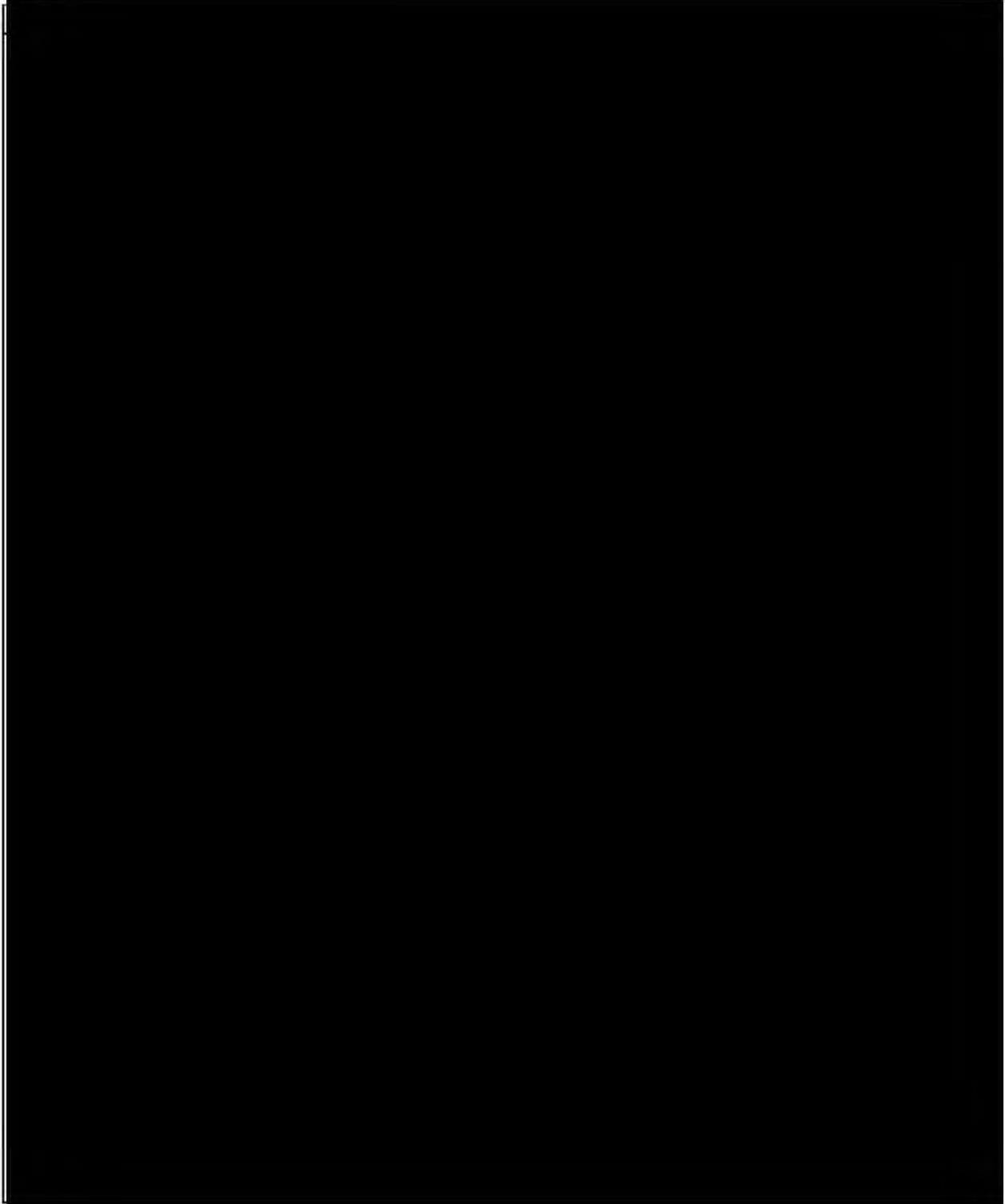
Science and Technology Directorate

	FY2025 Enacted	FY2026 Request	FY2027 Request
Drug Resources by Budget Decision Unit, Program and Function			
Decision Unit 1 - Research and Development			
Program – Combatting Fentanyl/Opioid Abuse			
Corrections	\$x.xxx	\$x.xxx	
Overdose Prevention	\$x.xxx	\$x.xxx	
Intelligence: Domestic Law Enforcement	\$x.xxx	\$x.xxx	
Intelligence: Interdiction	\$x.xxx	\$x.xxx	
Intelligence: International	\$x.xxx	\$x.xxx	
Interdiction	\$7.250	\$11.446	
International	\$x.xxx	\$x.xxx	
Investigations	\$x.xxx	\$x.xxx	
Prevention	\$x.xxx	\$x.xxx	
Prosecution	\$x.xxx	\$x.xxx	
Research and Development: Domestic Law Enforcement	\$x.xxx	\$x.xxx	
Research and Development: Overdose Prevention	\$x.xxx	\$x.xxx	
Research and Development: Interdiction	\$x.xxx	\$x.xxx	
Research and Development: International	\$x.xxx	\$x.xxx	
Research and Development: Prevention	\$x.xxx	\$x.xxx	
Research and Development: Recovery	\$x.xxx	\$x.xxx	
Research and Development: Treatment	\$x.xxx	\$x.xxx	
Recovery	\$x.xxx	\$x.xxx	
State, Local, and Tribal Law Enforcement Assistance	\$x.xxx	\$x.xxx	
Treatment	\$x.xxx	\$x.xxx	
Total, Program #1 (Additional Program totals as necessary)	\$x.xxx	\$x.xxx	
Total, Decision Unit #1	\$7.250	\$11.446	
Decision Unit #2 Name (Additional Decision Units as necessary)			
(Additional Programs as necessary)	\$x.xxx	\$x.xxx	
<i>(List all functions)</i>	<i>\$x.xxx</i>	<i>\$x.xxx</i>	
(Additional Program totals as necessary)	\$x.xxx	\$x.xxx	
Total, Decision Unit #2	\$x.xxx	\$x.xxx	
Total Funding	\$7.250	\$11.446	
Drug Resource Personnel Summary			
Total FTEs (direct only)	2	2	
Drug Resources as a Percent of the Budget			
Total Agency Budget (in billions)	\$0.7	\$0.8	
Drug Resources Percentage	1.0%	1.5%	

FY 2027 Summer Budget Review

**U.S. Department of Homeland Security (DHS)
Science and Technology Directorate (S&T)**

Funding Guidance Review



FY 2027 Summer Budget Review

DEPARTMENT OF HOMELAND SECURITY

Science and Technology Directorate

Resource Summary

	Budget Authority (in Millions)		
	FY 2025 Enacted	FY 2026 Request	FY 2027 Request
Drug Resources by Function			
Research and Development: Interdiction	\$7.250	\$11.446	
Total Drug Resources by Function	\$7.250	\$11.446	
Drug Resources by Decision Unit			
Research and Development: Interdiction	\$7.250	\$11.446	
<i>Combating Fentanyl/Opioid Abuse</i>	\$7.250	\$11.446	
<i>Opioid/Fentanyl Detection Program</i>	\$0.000	0.000	
Total Drug Resources by Decision Unit	\$7.250	\$11.446	
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$0.7	\$0.8	
Drug Resources Percentage	1.0%	1.5%	

Program Summary

MISSION

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

METHODOLOGY

S&T's methodology is based on RDT&E projects that directly support drug control efforts. Since the projects directly support drug interdiction, it was determined that the entirety of project resources is used for calculating S&T's drug control efforts.

BUDGET SUMMARY

In FY 2027, S&T requests [REDACTED] for drug control activities, [REDACTED] FY 2026 request level.

Research and Development: Combating Fentanyl

FY 2027 Request: [REDACTED]

The FY 2027 S&T President's Budget request [REDACTED] for drug control activities, which [REDACTED] FY 2026 request level.

There are challenges that limit DHS's ability to detect and interdict synthetic opioids, like fentanyl, that cross United States land, sea, and air borders, including through international mail. The top challenges that DHS faces include the physical detection and interdiction of opioids due to the ability of synthetic opioids to be smuggled in very small or dilute quantities, and the low number of available automated detection systems; as well as the discovery and disruption of Transnational Criminal Organizations (TCO), Drug Trafficking Organizations (DTO), criminal networks, and individuals who support illicit manufacturing and smuggling. DHS Components and law enforcement partners have identified critical needs for advanced technologies to aid in their missions to target, investigate, and dismantle illicit opioid and other narcotic smuggling into the United States.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Appropriation Program, Project, and Activity (PPA) Thrust Program Level (\$ in thousands)	FY 2027 RAP
Total	

FY 2025 DETAILED ACCOUNTING REPORT
DEPARTMENT OF HOMELAND SECURITY
SCIENCE AND TECHNOLOGY DIRECTORATE

DRUG CONTROL FUNDING OBLIGATIONS

Budget Authority (in millions)	FY 2025 Enacted	FY 2025 Obligations
Research and Development:		
Combating Fentanyl/Opioid Abuse	\$7.250	\$7.250
Opioid/Fentanyl Detection	\$0.000	\$0.000
Total Drug Resources by Function	\$7.250	\$7.250

DRUG METHODOLOGY

Science and Technology Directorate's (S&T) methodology is based on research, development, test, and evaluation (RDT&E) projects that directly support drug control efforts. Since the projects directly support drug interdiction, it was determined that the entirety of project resources was used for calculating S&T's drug control efforts.

The obligations reported by Budget Decision Unit are the actual obligations derived from the accounting system of record and are consistent with the approved methodology for calculating drug control funding.

APPLICATION OF DRUG METHODOLOGY

The drug methodology disclosed in the Drug Methodology section above, was the actual methodology used to generate the table above.

METHODOLOGY MODIFICATIONS

There are no modifications to the drug methodology for Fiscal Year (FY) 2025 from the previous FY 2024.

MATERIAL WEAKNESSESS OR OTHER FINDINGS

There are no identified weaknesses which may affect the presentation of prior year drug-related obligation data.

REPROGRAMMINGS OR TRANSFERS

The data presented is associated with obligations against a financial plan and if revised during the year properly reflects those changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate for the fiscal year exceed \$5.0M or 10% of a specific program or account included in the National Drug Control Budget (21 U.S.C. § 1703(c)(4)(A)).

S&T had no drug related reprogrammings or transfers in FY 2025.

OTHER DISCLOSURES

There is no other disclosure necessary to clarify any issues regarding the data reported under this circular.

FUND CONTROL NOTICES

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

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

2703 Martin Luther King Jr. Ave. SE
Washington, DC 20593
Staff Symbol: CG-821
Phone: (202) 372-2307

7110
February 25, 2026

The Honorable Sara A. Carter
Director
Office of National Drug Control Policy
750 17th Street, NW
Washington, DC 20503

Dear Ms. Carter,

The United States Coast Guard is required by the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, to present information and assertions used in budget formulation, account for funds expended on ONDCP activities, and the described levels of performance achieved in execution of these activities.

In compliance with the ONDCP Circular: National Drug Control Program Agency Compliance reviews, dated September 9, 2021, the Coast Guard's FY 2027 Summer Drug Budget and Resource Summary Table were submitted to DHS on July 21, 2025. To the best of my knowledge, the budget was submitted at the same time to ONDCP, and the funding requests in the Coast Guard's submission were made without alteration or adjustment by any official at the Department.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Jonathan Kelly, (571) 608-2307.

Sincerely,

A handwritten signature in black ink, appearing to read "W. T. O'Donnell".

W. T. O'Donnell
Commander, U.S. Coast Guard
Deputy, Office Coordination, Programming, and
Accountability

Enclosures: (1) USCG FY 2027 Summer Drug Budget Submission, July 2025
(2) USCG FY 2025 Detailed Accounting Report / Assertions

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



7110
July 21, 2025

Jon E. Rice
Senior Official Performing the Duties of the Director
Office of National Drug Control Policy (ONDCP)
750 17th Street, NW
Washington, DC 20503

Dear Mr. Rice,

In accordance with the ONDCP Circular: *Budget Formulation*, dated September 9, 2021, enclosed is the Coast Guard's FY 2027 Summer Drug Budget.

The Coast Guard's FY 2027 Resource Allocation Plan includes a new operating concept focused on Force Packages that amalgamate components of shore-based, maritime patrol, and deployable specialized forces. Resourcing these Force Packages is the core of the Coast Guard's Budget. This includes [REDACTED] to control, secure, and defend the U.S. border and maritime approaches [REDACTED] to facilitate commerce and secure the maritime transportation system against threats exploited by Foreign Terrorist Organizations and Transnational Criminal Organizations, [REDACTED] in asset or infrastructure investments to enable Force Packages.

This new concept is not directly reflected in the approved ONDCP methodology to develop the Coast Guard's Drug Budget. Applying the previously approved methodology, the Coast Guard's FY 2027 Budget [REDACTED] for drug control activities. The Coast Guard will work to refine this methodology to better reflect the totality of investments supporting ONDCP priorities.

If there are any questions, please contact my Drug Budget Coordinator, LCDR Jonathan Kelly, (202) 372-3558.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. T. O'Donnell".

W. T. O'Donnell
Commander, U.S. Coast Guard
Deputy, Office of Budget and Programs

Enclosures: (1) Resource Summary Table
(2) Support for Drug Control Funding Priorities
(3) FY 2027 Budget Request Summaries

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

FY 2027 Summer Drug Budget
DEPARTMENT OF HOMELAND SECURITY
United States Coast Guard (USCG)

Resource Summary

Budget Authority (in Millions)			
	FY 2025 Enacted Budget	FY 2026 President's Budget	FY 2027¹ Request
Drug Resources by Function			
Interdiction	\$1,961.506	\$1,640.526	
Research and Development	\$0.951	\$7.630	
Total Drug Resources by Function	\$1,962.457	\$1,648.156	
Drug Resources by Decision Unit			
Operations & Support	\$1,532.438	\$1,170.731	
Procurement, Construction, & Improvements	\$429.068	\$469.795	
Research & Development	\$0.951	\$7.630	
Total Drug Resources by Decision Unit	\$1,962.457	\$1,648.156	

Drug Resources Personnel Summary			
Total FTEs (direct only)	7,232	5,218	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$13.5	\$14.5	
Drug Resources Percentage	14.5%	11.4%	

Program Summary

MISSION

The Coast Guard is America's principal Federal agency for maritime safety, security, and stewardship. It enforces all applicable Federal laws and international conventions on, under, and over the high seas and waters subject to the jurisdiction of the United States. This includes the United States' territorial seas, the contiguous zone, the Exclusive Economic Zone, and the high seas. The Coast Guard's drug interdiction objective is to reduce the flow of illegal drugs entering the United States by denying smugglers access to maritime routes. Interdicting illicit drug-related trafficking as close to the source as possible helps dismantle Transnational Criminal Organizations and Foreign Terrorist Organizations (TCOs/FTOs) networks that directly threaten the National security of the United States, exploit U.S. citizens, and destabilize our Western Hemisphere neighbors. The Coast Guard addresses this objective through projection of an effective law enforcement presence over the six-million square-mile transit zone of the Caribbean Sea, the Gulf of America, and the Eastern Pacific Ocean.

¹ Based on the ONDCP approved methodology and does not accurately reflect the Coast Guard's total allocation to control and secure the U.S. border and maritime approaches

The Coast Guard has a comprehensive approach to maritime counterdrug law enforcement in the source, transit, and arrival zones. Key objectives of the Coast Guard consist of:

- (1) Achieve complete operational control of the border through actions to secure and defend the U.S. border and maritime approaches;
- (2) Deny TCOs/FTOs access to maritime routes and deter trafficking activity;
- (3) Strengthen ties with source and transit zone nations to increase their willingness and ability to stem the production and trafficking of illicit drugs; and
- (4) Lead interagency and international efforts to address drug smuggling.

Additional efforts to support key objectives include enhancing utility of drug data for both researchers and policy-makers, strengthening domestic collaboration, and bolstering international partnerships. The Coast Guard works to leverage information-sharing structures and strengthen multi-jurisdictional task forces to better understand, disrupt, and dismantle TCOs/FTOs. Information-sharing and cooperation with domestic partners supports improved assessments of supply reduction effectiveness. Additionally, the Coast Guard's support to Central and South American countries, including Mexico, Colombia, Costa Rica, Dominican Republic, Ecuador and Panama, strengthens drug control initiatives in key partner nations.

METHODOLOGY

The Coast Guard does not have a specific appropriation for drug interdiction activities. All Coast Guard operations, capital improvements and acquisitions, and research and development activities targeted toward drug interdiction are funded out of the associated appropriations specified herein. Reflecting the multi-mission nature of Coast Guard units, the accounting system is keyed to operating and support facilities, rather than to specific missions. Consistent with that approach, personnel and other costs are administered and tracked along operational and support capability lines requiring detailed cost accounting techniques. The Coast Guard uses a Mission Cost Model methodology to compute its drug mission allocation. The Mission Cost Model allocates funding across Coast Guard missions in the Performance-Based Budget presentation. The Mission Cost Model allocates all direct and support costs to mission-performing units (e.g., National Security Cutter [NSC] or Long-Range Surveillance [LRS] aircraft).

Established baselines of operational activity are used to further allocate those costs to the various missions.

Procurement, Construction & Improvements (PC&I)

PC&I funding finances the acquisition of new capital assets, construction of new facilities, and physical improvements to existing facilities and assets. The funds cover Coast Guard-owned and operated vessels, aircraft, shore facilities, and other equipment, such as computer systems. The Mission Cost Model is used to develop an allocation of costs by mission areas for proposed PC&I projects based on the typical employment of assets germane to the project. For example, if a new asset is being proposed for commissioning through a PC&I project, costs would be applied to missions using the operational profile of a comparable existing asset. The Coast Guard uses a zero-based budget approach in developing its request for PC&I funding. Program changes in the PC&I account may vary significantly from year-to-year depending.

Operations & Support (O&S)

O&S funds are used to operate assets and facilities; maintain capital equipment; improve management effectiveness; recruit, train, and sustain all active-duty military and civilian personnel.

Budget presentations for current and future years use the most recent O&S asset cost data and systematically allocate costs in the following manner:

- **Direct Costs:** Applied directly to the operating assets that perform missions;
- **Support Costs:** Applied to assets for which cost variability can be specifically linked to operating assets; and
- **Overhead Costs:** Applied to assets based on a proportion of labor dollars spent where cost variability cannot be specifically linked to operating assets. This is a standard industry approach to overhead allocation.

Once all O&S costs are fully loaded on mission-performing assets, those costs are further allocated to Coast Guard missions (Drug Enforcement, Search and Rescue, etc.) using actual or baseline projections for operational employment hours.

Research & Development (R&D)

R&D funding finances research, development, and test and evaluation in support of Coast Guard missions. The Mission Cost Model is used to develop an allocation of costs by mission areas for proposed R&D projects. Allocation of drug interdiction funding is accomplished within the R&D appropriation by evaluating each project's anticipated contribution to drug interdiction efforts based on subject matter expert professional judgment.

Alignment of Budget Submission
to Drug Control Funding Priorities
DEPARTMENT OF HOMELAND SECURITY
United States Coast Guard (USCG)

Funding Guidance Review

FY 2027 Funding Guidance	Was the Guidance Addressed?
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Department of Homeland Security

U.S. Coast Guard

Resource Allocation Plan

FY 2026 to FY 2027 Budget Change

(Dollars in Thousands)

	FTE	MIL	CIV	FTE	MIL	CIV	Amount
FY 2025 CR-Enacted	52,952	43,047	9,905	51,593	42,655	8,938	10,415,271
FY 2026 CJ	53,119	43,119	10,000	51,873	42,791	9,082	11,066,223
Pricing Changes							
Increases							
Annualization of Prior Year Initiatives							
Mandatory Personnel Entitlements							
Annualization of Prior Year Military Pay Raise							
Military Pay Raise Total							
2027 Military Allowances							
GSA Rent							
Search and Rescue Satellite-Aided Tracking (SARSAT) Increases							
High Frequency Automatic Link Establishment (ALE) Network Services							
Base Cape Cod Contract Increases							
Regional Security Guard Contract Increases							
DoD JWICS and SIPR Fee Increases							
Total Increases							
Decreases							
Annualization of Prior Year Reductions							
Non-Recur of FY 2026 Requested Program Changes							
Total Decreases							
Total Adjustments-to-Base							
Program Changes							
Increases							
Force Packages							
Force Package - Secure Border							
Force Package - Facilitate Commerce							
Force Package - Contingency & Crisis Response							
Operating and Maintenance Funds for New Assets							
Shore Facility Follow-On							
Offshore Patrol Cutter (OPC) Follow-On							
Fast Response Cutter (FRC) Follow-On							
Waterways Commerce Cutter (WCC) Follow-On							
HC-130J Follow-On							
Long Range Command and Control Aircraft (LRCCA) Follow-On							
Enterprise IT Follow-On							
Operational Adjustments							
Aviation Critical Mission and Systems Sustainment							
Force Design 2028 Organization - Recruiting							
Force Design 2028 Organization - DSF Operational Command							
Force Design 2028 Organization - Training							
Force Design 2028 Organization - Future Threats Preparedness							
Force Design 2028 People - Childcare							
Force Design 2028 People - Enterprise Strategic Communications							
Force Design 2028 Technology - UxS							
Force Design 2028 Technology - Modernization							
Force Design 2028 Contracting and Acquisitions							
Total Program Increases							
Decreases							
Department of Government Efficiency Reductions							
Station and Air Facility Closures							
Logistics Information Management System Reduction							
Asset Decomissionings and Retirements							
Decommission Reliance Class Medium Endurance Cutters (MEC)							
Decommission Marine Protector Class Patrol Boat (WPB)							
Decommission Cosmos Class Inland Construction Tender (WLIC)							
Total Decreases							
Total Program Changes							
FY 2027 Operations & Support Request							
FY 2026 To FY 2027 Operations & Support Total Change							
FY 2027 R&D							
FY 2027 MERHCFC							
FY 2027 PC&I							
FY 2027 Total Discretionary							

ENCL (3)

Procurement, Construction & Improvements

Program, Project, or Activity (PPA)		FY 2025 Full Year CR Enacted - Spend Plan	FY 2026 President's Budget	FY 2027 Resource Allocation Plan	Notes
Vessels		\$833,300	\$1,439,300		
Vessels	In-Service Vessel Sustainment (ISVS)	\$153,000	\$152,000		
	Offshore Patrol Cutter (OPC)	\$530,000	\$812,400		
	Homeland Security Cutter (HSC)	\$0	\$0		Anticipated acquisitions to Homeland Security Cutter program rapidly close existing and growing gaps in the Coast Guard's offshore / medium-endurance fleet.
	Fast Response Cutter (FRC)	\$16,000	\$216,000		
	Boats	\$26,300	\$30,900		
	Waterways Commerce Cutter (WCC)	\$108,000	\$98,000		
	Polar Security Cutter (PSC)	\$0	\$130,000		
	Great Lakes Icebreaker (GLIB)	\$0	\$0		
	CGC <i>Storis</i> (WAGB-21)	\$0	\$0		
	Domestic Icebreakers	\$0	\$0		
Aircraft		\$257,250	\$183,600		
Aircraft	HC-130J	\$15,000	\$6,000		
	MH-60	\$168,000	\$164,600		
	HC-27J Conversion/Sustainment	\$5,000	\$0		
	C-37 A/B Long Range Command and Control Aircraft (LRCCA)	\$68,500	\$0		
	HC-144	\$0	\$12,000		
	Unmanned Aircraft Systems (UAS)	\$750	\$1,000		
C5I and Other		\$113,200	\$99,840		
C5I and Other	Survey and Design	\$9,000	\$5,000		
	Program Oversight and Management	\$21,500	\$22,000		
	C4ISR	\$21,000	\$10,000		
	In Service Systems Sustainment (ISSS)	\$30,000	\$30,000		
	Other Equipment and Systems	\$5,000	\$7,040		
	Counter-UAS	\$0	\$0		
	Coastal Sentinel	\$0	\$0		
	Cyber and Enterprise Mission Platform	\$26,700	\$25,800		
Shore and ATON		\$210,200	\$21,300		
Shore and ATON	Shore Infrastructure (Merge Major Shore / MASI PPAs)	\$205,200	\$16,300		
	Minor Shore	\$5,000	\$5,000		
TOTAL		\$1,413,950	\$1,744,040		

This document is pre-decisional in nature and qualifies as an inter-agency/intra-agency document containing deliberative process material. This document contains confidential budget information, release of which is prohibited by OMB Circular A-11, Section 22 and OMB Memorandum M-01-17.

ENCL (3)

ENCL(1)

**DEPARTMENT OF HOMELAND SECURITY
UNITED STATES COAST GUARD
Detailed Accounting Report of FY 2025 Drug Control Funds**

DETAILED ACCOUNTING REPORT

1. Table of FY 2025 Drug Control Obligations

RESOURCE SUMMARY	
(Dollars in Millions)	
Drug Resources by Drug Control Function:	2025 Actual Obligations
• Interdiction	\$2,702.598
• Research and Development	\$0.872
Total Resources by Function	\$2,703.470
Drug Resources by Budget Decision Unit:	
• Operations and Support (O&S)	\$1,487.031
• Procurement, Construction, and Improvements (PC&I)	\$1,215.567
• Research and Development (R&D)	\$0.872
Total Drug Control Obligations	\$2,703.470

2. Drug Methodology

In fiscal year (FY) 2000, a methodology known as the Mission Cost Model (MCM) was developed to present the United States Coast Guard (USCG) missions using activity-based cost accounting principles. The MCM is an estimate of operational mission costs allocated across the Coast Guard's eleven missions/programs consisting of: Drug Interdiction; Migrant Interdiction; Ports, Waterways and Coastal Security; Other Law Enforcement; Defense Readiness; Search and Rescue; Marine Safety; Ice Operations; Marine Environmental Protection; Living Marine Resources; and Aids to Navigation. The MCM output estimated to Drug Interdiction is allocated to the Office of National Drug Control Policy (ONDCP) Drug Control Function 'Interdiction' for all decision units with the exception of R&D. R&D is allocated to ONDCP Control Function 'Research and Development'. The information reported is timely and derived from an allocation process involving the Coast Guard's financial statement information and operational employment data. The operating hour allocation, or baseline, is developed and modified based upon budget line item requests and operational priorities.

The USCG is required to report its drug control funding to the ONDCP in three appropriations, categorically called decision units. The Coast Guard's drug control funding estimates are computed by examining the decision units that are comprised of: Operations and Support (O&S); Procurement, Construction, and Improvement (PC&I); and Research and Development, (R&D). Each decision unit contains its own unique spending authority and methodology. For example, PC&I includes funding that remains available for obligation up to five years after appropriation and R&D includes funding the remains available for obligation up to three years after appropriation. Unless stipulated by law, O&S funding must

be spent in the fiscal year it is appropriated. The mechanics of the MCM methodology used to derive the drug control information for each decision unit's drug control data is derived as follows.

Mission Cost Allocations

O&S funds are used to operate Coast Guard facilities, maintain capital equipment, improve management effectiveness, and recruit, train, sustain, and compensate an active duty military and civilian workforce. The Coast Guard tracks resource hours spent on each of its eleven statutory missions. Obligations within the drug interdiction program are derived by allocating a share of the actual obligations of assets and activities based upon the reported percentage of time aircraft, cutters, and boats spent conducting drug interdiction activities. Inputs to the MCM are the Coast Guard's three general ledgers: Financial System Modernization Solution (FSMS), Naval and Electronics Supply System (NESSS), and Aircraft Logistics Information Management System (ALMIS). Additionally, the MCM receives input from Abstract of Operations (AOPS).

Using data recorded in the three general ledgers in combination with asset activity data recorded in AOPS and ALMIS, the Coast Guard allocates O&S costs to each of the eleven statutory missions. By design, the MCM is based on the O&S decision unit. PC&I and R&D decision units must be calculated separately, due to the structure of the PC&I and R&D decision units, which are presented as individual projects in the Coast Guard's budget submission. Within PC&I and R&D, individual projects are allocated to missions based on an established profile (largely based on utilization). The drug interdiction attributions of each of these projects are then combined to determine the total contribution to the drug interdiction mission.

The program percentages derived from the MCM are applied to O&S, PC&I, and R&D decision units per the above methodology. Obligation data is derived from the final financial accounting Report on Budget Execution.

As the USCG budgets through congressionally established appropriations rather than individual missions, the organization must rely on information contained within the activity based MCM. USCG uses this MCM data to determine financial obligations specifically related to statutory missions, including Drug Interdiction. This appropriation structure supports multi-mission requirements by allowing the service to surge and shift resources across all missions. This level of resource flexibility is critical to successful mission execution in our dynamic, operational environment. However, such a structure makes it difficult to precisely determine the cost of a particular mission or the "level of effort" expended in carrying out in each mission. The MCM provides the USCG with a reliable, repeatable system that forecasts future year spending and estimates previous year obligations by mission.

3. Methodology Modifications

The methodology described above is consistent with previous submissions.

4. Material Weaknesses or Other Findings

In FY 2025, the USCG contributed to DHS material weaknesses in the following internal control areas: Information Technology (IT) Controls and Information Systems, Financial Reporting, and Budgetary Accounting. The USCG continues to implement corrective action plans to remediate long-standing

internal control deficiencies, strengthen existing internal controls, and provide assurance over the fidelity of financial information.

The USCG's control deficiencies that contributed to the department-level material weaknesses did not impair USCG's ability to report complete and accurate obligation data in the Table of FY 2025 Drug Control Obligations.

5. Reprogrammings or Transfers

During FY 2025, USCG had reprogrammings and transfers. As a component of DHS, the USCG submits all reprogramming and transfer requests through the Department for approval, and the impact of these changes to funding is assessed by the Department. In FY 2025, there were no reprogrammings or transfers that materially impacted USCG's drug-related obligations reported in the Table of FY 2025 Drug Control Obligations.

6. Other Disclosures

The following provides a synopsis of the USCG's FY 2025 Drug Control Funds reporting which describes:

1. The agency's overall mission and the role of drug interdiction efforts within the USCG's multi-mission structure; and
2. The USCG's Drug Budget Submission.

Coast Guard Missions

The USCG is a military service with mandated national security and national defense responsibilities, and is the United States' leading maritime law enforcement agency with broad, multi-faceted jurisdictional authority. Due to the multi-mission nature of the USCG and the necessity to allocate the effort of a finite amount of assets, there is a considerable degree of asset "cross-over" between missions. This cross-over contributes to the complexities the USCG faces when reporting costs for its mission areas.

Coast Guard's Drug Budget Submission

The USCG does not have a specific appropriation for drug interdiction activities; there are no financial accounting lines for each of the USCG's eleven statutory missions. All drug interdiction operations, capital improvements, and research and development efforts are funded through general USCG appropriations.

The USCG's drug control budget is generally an accurate reflection of the USCG's overall budget. The USCG's O&S appropriation budget request is incremental, focusing on the changes from the prior year base brought forward. The USCG continues to present supplementary budget information through the use of the MCM, which allocates base funding and incremental requests by mission.

This general purpose MCM serves as the basis for developing drug control budget estimates for the O&S appropriations and provides allocation percentages used to develop the drug control estimates for the PC&I and R&D appropriations and the process is repeatable. Similarly, this is the same methodology used to complete the USCG's annual submission to ONDCP.

Assertions

1) Obligations by Budget Decision Unit

Obligations reported by budget decision unit are consistent with the application of the approved methodology, as required by ONDCP Circular: *Budget Formulation*, Section 7, issued September 9, 2021, for calculating drug control funds against the Coast Guard's accounting system of record.

2) Drug Methodology

The methodology used to produce the drug interdiction funding in this report is reasonable and accurate. This methodology is consistently used by the USCG to develop annual budget year submissions and mission related reports. The criteria associated to this assertion are as follows:

- a) Data – The percentage allocation results derived from its MCM methodology are based on the FY 2025 financial and AOPS/ALMIS data, as presented in the USCG's FY 2025 enacted budget submission.
- b) Financial Systems – The MCM uses costs from three general ledgers (GL). These include; the FSMS GL, the NESSS GL, and the ALMIS GL. These financial systems yield data that fairly presents, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

3) Application of Drug Methodology

The methodology disclosed in this section was the actual methodology used to generate the drug control obligation funding table required by ONDCP Circular: *National Drug Control Program Agency Compliance Review*, issued September 9, 2021.

4) Material Weakness or other findings

All material weaknesses or other findings by independent sources, which may affect the presentation of prior year drug-related obligations as required by section 7.a(4) of the ONDCP Circular, *National Drug Control Policy Agency Compliance Reviews*, issued September 9, 2021, have been disclosed.

5) Methodology Modifications

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

6) Reprogrammings or Transfers

During FY 2025, the Coast Guard had no reports of transfers or reprogramming actions affecting drug related budget resources, individually or in aggregate, exceeding \$5 million or 10 percent of

a specific program or account included in the National Drug Control Budget (21 U.S.C. 1703(c)(4)(A)).

7) Fund Control Notices

ONDCP did not issue the Coast Guard a Fund Control Notice for FY 2025.



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MEMORANDUM

February 27, 2026

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

//signed//

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

Subject: Audit Memorandum- 2026-FO-0801- Independent Attestation Review of the U.S. Department of Housing and Urban Development's Compliance with Office of National Drug Control Policy (ONDCP) Requirements for Fiscal Year 2025 Reporting

We have reviewed the U.S. Department of Housing and Urban Development's (HUD's) Detailed Accounting Report and the related management assertions for National Drug Control Program activities for the fiscal year ended September 30, 2025. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for fiscal year 2027, and the related management assertions for National Drug Control Program activities. HUD's management is responsible for preparing the Detailed Accounting Report and Budget Formulation Compliance Report in accordance with (or based on) the Office of National Drug Control Policy's (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021. Our responsibility is to express a conclusion about the reliability of each assertion made in these reports.

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

We conducted our attestation review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions for them to be in accordance with the ONDCP compliance reviews circular. The procedures performed in a review vary in nature and timing from and are substantially less extensive than, those performed in an examination, the objective of which is to obtain reasonable assurance about whether management's assertions are in

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accordance with (or based on) the criteria, in all material respects, to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

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

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

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

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

Certain information has been withheld from public release, in accordance with 5 U.S.C. section 552 (b)(5). This provision protects interagency or intra-agency communications reflecting the agency's deliberative process. The information withheld consists of projected budget information for fiscal year 2027.

We provided a draft of this memorandum to HUD on February 24, 2026. On February 25, 2026, Community Planning and Development (CPD)'s General Deputy Assistant Secretary responded that CPD agreed with the memorandum and did not plan to provide formal comments.

Attachment:

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

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



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

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

January 29, 2026

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

Dear Assistant Inspector General Audit, Kilah White

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

The Department's Continuum of Care Homeless Assistance Grants programs supports efforts to eliminate homelessness by financing local solutions that provide housing and supportive services on a short or long-term basis to those experiencing homelessness. While the Continuum of Care (COC) helps support recovery by providing housing resources, HUD does not have a specific appropriation for drug-related activities. Although COC grantees can utilize funds to help people with chronic substance abuse, they are not required to do so. HUD employs a methodology approved by the Office of National Drug Control Policy (ONDCP) to estimate the number of people experiencing homelessness with chronic substance use disorders who may have been served with HUD-funded assistance, based on data reported in program applications.

Section 8071 (Pilot Program to Help Individuals in Recovery from a Substance Use Disorder become Stably Housed) of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act allows states and the District of Columbia to provide stable, transitional housing for individuals in recovery from a substance use disorder. The Full-Year Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4) provided \$30 million for such purposes.

We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2025 Budget Formulation Compliance submission to ONDCP:

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

1. The HUD FY 2027 Summer Drug Budget submission to ONDCP under cover letter provided in response to Section 6.a.(1) in response to ONDCP Circular: Budget Formulation, Section 9 was provided to ONDCP at the same time as the budget request was submitted to the Office of Budget, Office of the Chief Financial Officer in accordance with 21 U.S.C. 1703(c)(1)(A).

www.hud.gov

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2. The funding request in the submission provided in Section 6.a.(2) of the ONDCP Circular National Drug Control Program Agency Compliance Review represent the funding levels in the budget submission made by the Office of Community Planning and Development to the Office of Budget, Office of the Chief Financial Officer without alteration or adjustment by any official at the Department.
3. The funding requests in the submissions provided in clauses 1 and 2 above are only reflective of the submissions to ONDCP at the time of submission. They do not reflect any final decisions on requests for funding in fiscal year 2027 that are made as part of the President's Budget, which has not yet been released.

Written Assertion Requirements (ONDCP Regulations-Detailed Accounting Submission)

1. The drug methodology used to calculate obligations of prior year budgetary resources by function for all bureaus and by budget decision unit is based on reliable data in which the data's availability, timeliness, and relevance were considered.
2. The financial systems supporting the drug methodology yield data that fairly present, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.
3. The drug methodology described in the report was the actual methodology used to generate the required data table.
4. All material weaknesses, or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations have been disclosed.
5. There were no modifications made to the methodology for reporting drug control resources from the previous year's reporting.
6. The data presented are associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of reprogramming or transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. The data presented are associated with obligation against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 USC 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

Sincerely,

Claudette
Fernandez

Digitally signed by Claudette Fernandez
DN: cn=Claudette Fernandez, o=U.S. Department of Housing and Urban Development

Claudette Fernandez
General Deputy Assistant Secretary

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Office of Community Planning and Development

Attachment

cc:

Ronnie Kurtz, Assistant Secretary, D
Kay Khine, Director, Salaries and Expenses Division, DHB
Thomas Herndon, Director, Office of Budget and Compliance, DHB
Caitlyn McKerney, Deputy Assistant Secretary for Special Needs, DN
Felicia Gaither, Associate Deputy Assistant Secretary for Special Needs, DN
Benjamin C. Schwartz, Acting Director, Office of Block Grant Assistance, DGBS
Alice Walkup, Senior Program Advisor, D
Irving Dennis, Principal Deputy Chief Financial Officer, F
Daniel L. Ballard, Deputy Chief Financial Officer, F
Mary Didier, Senior Budget Analyst, OCFO
MelaJo K. Kubacki, Assistant Chief Financial Officer for Financial Management, FM
Scott Barber, Deputy Assistant Chief Financial Officer for Financial Management, FM
Kate Blomarz, Assistant Chief Financial Officer for Budget, FO
Norman Suchar, Director, SNAPS, DNS
Karen DeBlasio, Deputy Director, SNAPS, DNS
William Snow, Specialist, SNAPS, DNS

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**Office of Community Planning and Development
FY 2025 Budget Formulation Compliance Report****SUMMER BUDGET INFORMATION**

On July 18, 2025, the summer budget was submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a. (1).

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

HUD's Summer Budget resource summary table---

Resource Summary

	Budget Authority (in millions)		
	FY 2025 Enacted	FY 2026 Request	FY 2027 Request
Drug Resources by Function			
Recovery	\$810,208	\$0.000	
Total Drug Resources by Function	\$810,208	\$0.000	
Drug Resources by Decision Unit			
Continuum of Care; Homeless Assistance Grants	\$780,208	\$0.000	
Section 8071 Pilot Recovery Housing Program	\$30,000	\$0.000	
Total Drug Resources by Function	\$810,208	\$0.00	
Drug Resources Personnel Summary			
Total FTEs (direct only)	---	---	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$77.0	\$43.4	
Drug Resources percentage	1.1%	0.0%	

*This total reflects the request for RHP at the time of summer submission and is not necessarily reflective of the final request that is included in the FY27 President's Budget.

MANAGEMENT ASSERTIONS

FY 2025 HUD Budget Formulation Compliance Report Detail Accounting Report

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We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2025 Budget Formulation Compliance submission to ONDCP:

1. The HUD FY 2027 Summer Drug Budget submission to ONDCP under cover letter provided in response to Section 6.a.(1) in response to ONDCP Circular: Budget Formulation, Section 9 was provided to ONDCP at the same time as the budget request was submitted to the Office of Budget, Office of the Chief Financial Officer in accordance with 21 U.S.C. 1703(c)(1)(A).
2. The funding request in the submission provided in Section 6.a.(2) of the ONDCP Circular National Drug Control Program Agency Compliance Review represent the funding levels in the budget submission made by the Office of Community Planning and Development to the Office of Budget, Office of the Chief Financial Officer without alteration or adjustment by any official at the Department.

FY 2025 HUD Budget Formulation Compliance Report Detail Accounting Report

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--START NEW DOCUMENT--

Department of Housing and Urban Development
FY 2025 Detailed Accounting Report

Resource Summary

	Budget Authority (in millions)
	FY 2025 Final
Drug Resources by Function	
Recovery	\$798.955
Total Drug Resources by Function	\$798.955
Drug Resources by Decision Unit	
Continuum of Care: Homeless Assistance Grants	\$768.955
Section 8071 Pilot Recovery Housing Program	\$30.000
Total Drug Resources by Function	\$798.955
Drug Resources Personnel Summary	
Total FTEs (direct only)	—
Drug Resources as a percent of Budget	
Total Agency Budget (in Billions)	\$77.0
Drug Resources percentage	1.0%

Please note that after the submission of the Summer Budget, the competition data used to determine the amount of Continuum of Care funding estimated to serve those who will receive substance use treatment was updated from 2023 competition data to 2024 data.

METHODOLOGY

The Office of Special Needs Assistance Programs in HUD does not have a specific appropriation for drug-related activities. Many of its programs target the most vulnerable citizens in our communities, including individuals with chronic mental health or substance use issues, persons living with HIV/Acquired Immune Deficiency Syndrome (AIDS), and formerly incarcerated individuals. Recipients of resources provided by the Office of Special Needs Assistance Programs report to HUD annually how many people they intend to serve through the Continuum of Care (CoC) Program funding. The most recent CoC Competition data (from FY 2024) shows that 20.5 percent of clients served will receive substance use treatment. HUD then multiplies this number by the CoC appropriation to determine the anticipated amount that

FY 2025 HUD Budget Formulation Compliance Report Detail Accounting Report

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will be spent on serving persons with chronic substance abuse issues. The fiscal year 2025 appropriation for the CoC Program, inclusive of the Youth Homelessness Demonstration Program funding, was \$3.751 billion, of which \$769.0 million (rounded) is anticipated to be spent on persons with chronic substance abuse issues.

Section 8071 (Pilot Program to Help Individuals in Recovery from a Substance Use Disorder become Stably Housed) of the SUPPORT for Patients and Communities Act (SUPPORT) Act authorizes assistance to States and the District of Columbia to provide stable, transitional housing for individuals in recovery from a substance use disorder. The pilot program, also referred to as the Recovery Housing Program (RHP), allocates funds based on an established formula to grantees whose age-adjusted rate of drug overdose deaths is above the national average, according to the Centers for Disease Control and Prevention (CDC). The Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4) provided \$30 million for such purposes. The program was authorized for FY 2019-FY 2023, though it was not funded in 2019, and further received appropriations in FY 2024 and FY 2025. For consistency in presentation of HUD's drug-related funding activities, budget authority is provided in the Resource Summary table, with the assumption that all appropriations will obligate. In fiscal year 2025, the program obligated \$19.7 million.

MATERIAL WEAKNESSES OR OTHER FINDINGS

HUD has not identified any material weaknesses or other findings.

REPROGRAMMINGS OR TRANSFERS

HUD did not reprogram or transfer any drug control funds in fiscal year 2025.

OTHER DISCLOSURES

HUD has not identified any other disclosures relating to the fiscal year 2025 drug control funds.

MANAGEMENT ASSERTIONS

We confirm, to the best of our knowledge and belief, the following representations and assertions as they pertain to HUD's fiscal year 2025 Detailed Accounting Report submission to ONDCP:

1. The drug methodology used to calculate obligations of prior year budgetary resources by function for all bureaus and by budget decision unit is based on reliable data in which the data's availability, timeliness, and relevance were considered.
2. The financial systems supporting the drug methodology yield data that fairly present, in all material respects, aggregate obligations from which drug-related obligation estimates are derived.

FY 2025 HUD Budget Formulation Compliance Report Detail Accounting Report

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3. The drug methodology described in the report was the actual methodology used to generate the required data table.
4. All material weaknesses, or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations have been disclosed.
5. There were no modifications made to the methodology for reporting drug control resources from the previous year's reporting.
6. The data presented are associated with obligations against a financial plan that, if revised during the fiscal year, properly reflects those changes, including ONDCP's approval of reprogramming or transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. The data presented are associated with obligation against a financial plan that fully complied with all Fund Control Notices issued by the Director under 21 USC 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.

FY 2025 HUD Budget Formulation Compliance Report Detail Accounting Report



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, DC 20240

MARCH 9, 2026

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget
Coordinator

From: Acting Director, Bureau of Indian Affairs, Office of Justice Services

Subject: ONDCP Compliance Review Submission

**CHARLES
ADDINGTON** Digitally signed by
CHARLES ADDINGTON
Date: 2026.03.09
09:25:15 -04'00'

In accordance with ONDCP Circular: “National Drug Control Program Agency Compliance Reviews, September 9, 2021”, the U.S. Department of the Interior, Bureau of Indian Affairs is hereby submitting this alternative report of drug control funding for FY 2025. Per the Circular, this report is being submitted in lieu of the standard “Detailed Accounting Report” otherwise required for agencies with drug control obligations of \$50 million or greater. The Department of the Interior, Director of the Bureau of Indian Affairs, Office of Justice Services attests that the Bureau’s drug control obligations are under \$50 million, and full compliance with the Circular would constitute an unreasonable reporting burden.

If you have questions, please contact Charles Addington, Acting Director, BIA - Office of Justice Services at (202) 997-2621.

ONDCP Detailed Accounting Report

Bureau of Indian Affairs

Drug Control Funding Obligations

1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

Drug Control Funding Obligations – FY 2025		
Drug Control Functions:		Dollars (in millions)
	Criminal Investigations and Police Services	\$13.419
	Special Initiatives	\$1.000
	Indian Police Academy (Training)	\$0.500
	Total, All Functions	\$14.919
Budget Decision Unit:		
	BIA Office of Justice Services	\$14.919
	Total, All Decision Units	\$14.919
Drug Resource Personnel Summary – FY 2025		
Total FTE (Direct Only)		73

2) Drug Methodology

BIA does not have a specific appropriation for drug control functions. The BIA uses a combination of unique Functional Areas and Cost Centers within the FBMS accounting system to track funds allocated to, and costs/expenditures of, this function.

3) Methodology Modifications

N/A

4) Material Weaknesses or Other Findings

N/A

5) Reprogrammings or Transfers

N/A

6) Other Disclosures

N/A

Assertions

1) Obligations by Budget Decision Unit

The BIA uses a combination of unique Functional Areas and Cost Centers within the FBMS accounting system to track funds allocated to, and costs/expenditures of, this function.

2) Drug Methodology

The BIA asserts that the drug methodology used to report obligations is based on reliable data.

ONDCP Detailed Accounting Report Bureau of Indian Affairs

- a. **Data** – During 2025, the BIA utilized an enterprise-wide system of records known as the Incident Management, Analysis and Reporting System (IMARS), which provides a unified system for Department of the Interior law enforcement agencies to manage law enforcement investigations, measure performance and meet reporting requirements. In concert with incident reporting, review, and data validation requirements established through agency policy, IMARS provides the BIA with the ability to reliably capture and accurately report performance data. In addition, BIA collects and analyzes monthly drug and crime reports provided by each tribal and direct service law enforcement agency.
 - b. **Financial Systems** - The BIA utilizes the FBMS financial system to determine spending by cost center for drug control efforts.
- 3) Application of Drug Methodology**
The BIA asserts that the drug methodology described above was the actual methodology used to generate the accounting table provided.
- 4) Material Weaknesses or Other Findings**
N/A
- 5) Methodology Modifications**
N/A
- 6) Reprogrammings or Transfers**
N/A
- 7) Fund Control Notices**
The BIA asserts that the data presented are associated with obligations against a financial plan that fully complies with ONDCP requirements.

Budget Formulation Compliance Report

See Attachment 1.

Budget Formulation Compliance Report
Bureau of Indian Affairs

In response to [ONDCP Circular: National Drug Control Program Agency Compliance Reviews](#), the Bureau of Indian Affairs (BIA) certifies the following information:

a) Summer Budget Formulation Information

- a1) Summer Drug Budget Transmittal:** The Summer Budget for FY27 was submitted to DOI on August 28, 2025. Departmental staff reviewed the submission without making any alterations and then submitted it to ONDCP on August 28, 2025.
- a2) Summer Drug Budget Resource Summary Table:** This report was submitted with the exemption allowed under Section 8.d. and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d).

b) Assertions

- b1) Timeliness of Summer Budget Submission:** The Summer Budget for FY27 was submitted to DOI on August 28, 2025 and the department then submitted it to ONDCP on August 28, 2025.
- b2) Funding Levels Represent Bureau-Level Request:** This report was submitted with the exemption allowed under Section 8.d. of the circular and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d).



United States Department of the Interior

Bureau of Land Management
Washington, DC 20240

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget Coordinator

From: Eric A. Kriley
Director, BLM Office of Law Enforcement and Security

ERIC
KRILEY

Digitally signed by ERIC
KRILEY
Date: 2026.01.09
12:35:58 -07'00'

Subject: ONDCP Compliance Review Submission

In accordance with ONDCP Circular: “National Drug Control Program Agency Compliance Reviews, September 9, 2021”, the U.S. Department of the Interior, Bureau of Land Management (BLM) is hereby submitting this alternative report of drug control funding for FY 2025. Per the Circular, this report is being submitted in lieu of the standard “Detailed Accounting Report” otherwise required for agencies with drug control obligations of \$50 million or greater. The Bureau of Land Management, 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 questions, please contact A. Dylan Ragan, Deputy Director OLES, at aragan@blm.gov.

ONDCP Detailed Accounting Report

Bureau of Land Management

Drug Control Funding Obligations

1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

Drug Control Funding Obligations – FY 2025		
Drug Control Functions:		Dollars (in millions)
	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 – FY 2025		
Total FTE (Direct Only)		20

2) Drug Methodology

The BLM primarily focuses these funds for the identification, investigation, and eradication of marijuana cultivation on public lands, and the rehabilitation of cultivation sites and narcotics trafficking routes. Resource Protection and Law Enforcement Program strategies in support of the National Drug Control Strategy include:

- 1) directing significant funding to address large scale marijuana cultivation activities by drug trafficking organizations on BLM-managed public lands in California;
- 2) directing funding to public lands in Arizona and New Mexico to address resource impacts and public safety concerns stemming from marijuana smuggling activities occurring along the Southwest Border;
- 3) directing funding to public lands in Idaho, Oregon, Nevada, Utah, Montana, and other States as needed to combat the expansion of marijuana cultivation activities into those areas; and
- 4) activity expanding operations and partnerships with DHS, Border Patrol, and U.S. Marshals Service for National Security and public safety on and adjacent to the Northern, Southern, and Alaskan borders.

ONDCP Detailed Accounting Report Bureau of Land Management

- 3) Methodology Modifications N/A**
- 4) Material Weaknesses or Other Findings N/A**
- 5) Reprogrammings or Transfers N/A**
- 6) Other Disclosures N/A**

Assertions

- 1) Obligations by Budget Decision Unit - Yes**
- 2) Drug Methodology**
 - a. Data - Yes**
 - b. Financial Systems - Yes**
- 3) Application of Drug Methodology - Yes**
- 4) Material Weaknesses or Other Findings – N/A**
- 5) Methodology Modifications – N/A**
- 6) Reprogrammings or Transfers – N/A**
- 7) Fund Control Notices - Yes**

Budget Formulation Compliance Report

Budget Formulation Compliance Report Bureau of Land Management

In response to [ONDCP Circular: National Drug Control Program Agency Compliance Reviews](#), the Bureau of Land Management (BLM) certifies the following information:

a) Summer Budget Formulation Information

- a1) Summer Drug Budget Transmittal:** The Summer Budget for FY27 was submitted to DOI on July 25, 2025. Departmental staff reviewed the submission without making any alterations and then submitted it to ONDCP on August 28, 2025.
- a2) Summer Drug Budget Resource Summary Table:** This report was submitted with the exemption allowed under Section 8.d. and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d).

b) Assertions

- b1) Timeliness of Summer Budget Submission:** The Summer Budget for FY27 was submitted to DOI on July 25, 2025, and the department then submitted it to ONDCP on August 28, 2025.
- b2) Funding Levels Represent Bureau-Level Request:** This report was submitted with the exemption allowed under Section 8.d. of the circular and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d).



United States Department of the Interior

National Park Service
Washington, DC 20240

SENT VIA ELECTRONIC MAIL – NO HARD COPY TO FOLLOW

MEMORANDUM

To: Office of National Drug Control Policy (ONDCP) Performance Budget Coordinator

From: Budget Formulation and Strategic Planning, Division Chief

Subject: ONDCP Compliance Review Submission

**SEAN
REILLY**
Digitally signed by SEAN REILLY
Date: 2026.01.06 16:43:23 -05'00'

In accordance with ONDCP Circular: "National Drug Control Program Agency Compliance Reviews, September 9, 2021", the U.S. Department of the Interior, National Park Service is hereby submitting this alternative report of drug control funding for FY 2025. Per the Circular, this report is being submitted in lieu of the standard "Detailed Accounting Report" otherwise required for agencies with drug control obligations of \$50 million or greater. The National Park Service, Chief of Budget Formulation and Strategic Planning of the Budget Office 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 questions, please contact Sean Reilly, Chief of Budget Formulation and Strategic Planning, at 202-868-7320.

ONDCP Detailed Accounting Report National Park Service

Drug Control Funding Obligations

1) Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function

Drug Control Funding Obligations – FY 2025		
Drug Control Functions:		Dollars (in millions)
	Investigations	\$3.392
	Total, All Functions	\$3.392
Budget Decision Unit:		
	Park Protection Subactivity	\$3.392
	Total, All Decision Units	\$3.392
Drug Resource Personnel Summary – FY 2025		
Total FTE (Direct Only)		28

2) Drug Methodology

NPS does not have a specific appropriation for drug control. The NPS cost management system verifies the location and actual use of funding that is directed to this function. The NPS utilizes these data, combined with annual financial/spending plans, to estimate the level of drug control funding.

3) Methodology Modifications

N/A

4) Material Weaknesses or Other Findings

N/A

5) Reprogrammings or Transfers

N/A

6) Other Disclosures

N/A

Assertions

1) Obligations by Budget Decision Unit

The NPS cost management system verifies the location and actual use of funding that is directed to this function. The NPS utilizes these data, combined with annual financial/spending plans, to estimate the level of drug control funding.

2) Drug Methodology

a. Data – The NPS utilizes an enterprise-wide system of records that provides a unified system for Department of the Interior law enforcement agencies to manage law enforcement investigations, measure performance and meet reporting requirements. In concert with incident reporting, review, and data validation requirements established through agency policy, DOI's reporting system provides the NPS with the ability to reliably capture and accurately report performance data.

b. Financial Systems – The NPS utilizes financial systems to determine park and program level spending on law enforcement efforts.

ONDCP Detailed Accounting Report National Park Service

3) Application of Drug Methodology

The NPS asserts that the drug methodology described above was the actual methodology used to generate the budget obligations table provided.

4) Material Weaknesses or Other Findings

N/A

5) Methodology Modifications

N/A

6) Reprogrammings or Transfers

N/A

7) Fund Control Notices

The NPS asserts that the data presented are associated with obligations against a financial plan that fully complies with ONDCP requirements.

Budget Formulation Compliance Report

In response to [ONDCP Circular: National Drug Control Program Agency Compliance Reviews](#), the National Park Service (NPS) certifies the following information:

a) Summer Budget Formulation Information

- a1) Summer Drug Budget Transmittal:** The Summer Budget for FY27 was submitted to DOI on July 25, 2025. Departmental staff reviewed the submission without making any alterations and then submitted it to ONDCP on August 28, 2025.
- a2) Summer Drug Budget Resource Summary Table:** This report was submitted with the exemption allowed under Section 8.d. of the circular and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d).

b) Assertions

- b1) Timeliness of Summer Budget Submission:** The Summer Budget for FY27 was submitted to DOI on July 25, 2025 and the department then submitted it to ONDCP on August 28, 2025.
- b2) Funding Levels Represent Bureau-Level Request:** This report was submitted with the exemption allowed under Section 8.d. of the circular and the statement allowed under Section 8.d.(1) will be considered to have met the statutory reporting requirements under 21 U.S.C. § 1704(d).



Review of the
Assets Forfeiture Fund's
Accounting of Drug Control Funding
Fiscal Year 2025



AUDIT DIVISION

26-015

FEBRUARY 2026

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.



EXECUTIVE SUMMARY

Review of the Assets Forfeiture Fund's Accounting of Drug Control Funding Fiscal Year 2025

Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice Assets Forfeiture Fund (AFF) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to AFF management's submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2025, in order for it to be in accordance with the Circular.

Recommendations

No recommendations were provided in this report.

Audit Results

The OIG performed an attestation review of the AFF's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2025. The detailed accounting includes the Budget Formulation Compliance Report (BFCR), Detailed Accounting Report (DAR), and related assertions by AFF management. The AFF reported approximately \$217.16 million of drug control obligations for fiscal year 2025.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the requirements set forth in the Circular. We concluded that we are not aware of any such material modifications. The previous OIG authentication of the AFF's submission to ONDCP was for fiscal year 2023, and the OIG concluded that no material modifications were needed to AFF's submission to the ONDCP (OIG Audit Division Report Number 24-028).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Director
Asset Forfeiture Management Staff

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) and Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) Assets Forfeiture Fund (AFF) for the fiscal year ended September 30, 2025. AFF management is responsible for the preparation of the BFCR and DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the BFCR, DAR, and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the BFCR, DAR, or related assertions for the year ended September 30, 2025, in order for them to be in accordance with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR and DAR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DOJ, AFF, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.
January 27, 2026



U.S. Department of Justice

Justice Management Division

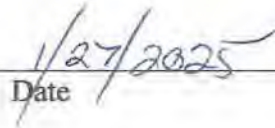
Asset Forfeiture Management Staff

**U.S. Department of Justice
Assets Forfeiture Fund
Budget Formulation
Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Assets Forfeiture Fund (AFF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the Assets Forfeiture Fund (AFF) system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the Assets Forfeiture Fund (AFF) to the Department without alteration or adjustment by any official at the Department.


Peter M. Maxey, Director
Asset Forfeiture Management Staff


Date

Department of Justice - Asset Forfeiture Program

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
Decision Unit: Assets Forfeiture Fund			
<i>Investigations</i>	\$151.419	\$129.621	
<i>State and local Assistance</i>	\$84.672	\$55.579	
Total, Decision Unit: Assets Forfeiture Fund	\$236.091	\$185.200	
Total Drug Funding	\$236.091	\$185.200	
Drug Resources Personnel Summary			
Total FTEs (direct only)	-	-	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$1.8	\$1.7	
Drug Resources Percentage	13.1%	10.9%	



U.S. Department of Justice

Justice Management Division

Asset Forfeiture Management Staff

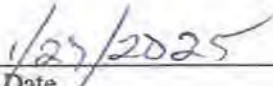
Washington, D.C. 20530

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Assets Forfeiture Fund (AFF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the AFF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations reported by budget decision unit represent the actual obligations derived from the AFF accounting system of record for these Budget Decision Unit.
2. The drug methodology used by the AFF to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses. There were other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogramming or transfers during FY 2025.
7. AFF did not have any ONDCP Fund Control Notices issued in FY 2025.


Peter M. Maxey, Director
Asset forfeiture Management Staff


Date

U.S. Department of Justice
Assets Forfeiture Fund
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Actual Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit #1: Asset Forfeiture	
Investigations	\$ 137.27
State and Local Assistance	79.89
Total Asset Forfeiture	\$ 217.16
Total Drug Control Obligations	\$ 217.16

**U.S. Department of Justice
Assets Forfeiture Fund
Detailed Accounting Submission
Related Disclosures
For Fiscal Year Ended September 30, 2025**

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 program expenses are identified below and aid in the process of perfecting forfeiture.

Joint Law Enforcement Operations – These expenses are for the various costs incurred by state and local law enforcement officers participating in joint law enforcement operations with a federal agency participating in the fund.

Investigative Costs Leading to Seizure – These expenses are for certain investigative techniques that are used for drug related seizures.

Awards Based on Forfeiture – These expenses are for the payment of awards for information or assistance leading to a civil or criminal forfeiture.

Contracts to Identify Assets – These expenses are incurred in the effort of identifying assets by accessing commercial database services. Also included in this section is the procurement of contractor assistance needed to trace the proceeds of crime into assets subject to forfeiture.

Special Contract Services – These expenses are for contract services that support services directly related to the processing, data entry, and accounting for forfeiture cases.

Case Related Expenses – These are expenses incurred in connection with normal forfeiture proceedings. They include fees, advertising costs, court reporting and deposition fees, expert

witness fees, courtroom exhibit costs, travel, and subsistence costs related to a specific proceeding. If the case involves real property, the costs to retain attorneys or other specialists under state real property law are also covered. In addition, the Deputy Attorney General may approve expenses for retention of foreign counsel.

All AFF accounting information is derived from the Unified Financial Management System. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balance.

Disclosure 2: Methodology Modifications

There have been no changes to the drug methodology from the previous year. The drug methodology disclosed has been consistently applied from prior years.

Disclosure 3: Material Weaknesses or Other Findings

For the FY 2025 Financial Statements Audit, the Assets Forfeiture Fund (AFF)/Seized Asset Deposit Fund (SADF) received an unmodified audit opinion with significant deficiencies arising from the following process areas:

Management did not complete corrective actions and implemented controls to ensure program expenses (Gross Cost) and accruals were properly recorded in the financial system. There were inaccurate and unsupported accruals recorded in interim and year end balances. Specifically, two sampled year end accruals were recorded without sufficient documentation to support the assumptions used to determine the amount of liability. Additionally, AFMS's review control over certain liability related disclosures was not operating effectively to identify a misstatement in the equitable sharing (EQS) amounts to be distributed to federal, state, and local law enforcement agencies disclosed in Note 7, *Forfeited and Seized Property, Net* in the draft financial statements.

The conditions above primarily occurred because management did not identify and respond to risks related to the different methodologies and thresholds in place at participating agencies in the context of the Assets Forfeiture Fund and Seized Asset Deposit Fund (AFF/SADF) financial statements. AFMS's monitoring controls lacked the precision to identify the discrepancies. Ineffective controls over the accurate recording of expenses and accruals increases the risk that misstatements occur and are not timely detected and corrected. As a result of these deficiencies, KPMG identified misstatements during the testing of FY 2025.

To mitigate this finding:

- AFMS will work with JMD Finance Staff and Asset Forfeiture Program participating agencies to develop consistent accrual methodologies for AFF transactions and ensure agency finance personnel are trained in proper accrual processing, including accurate reversing entries. AFMS has updated the Financial Guide and made the publication in FY2026.
- AFMS will also expand its expenditure review and data quality review processes to include review of key processes and data elements to minimize the risk of misstatements. AFMS' review of calculation methodologies will continue to ensure that amounts presented in the

financial statements and note disclosures are accurate and consistent with Federal Accounting Standards Advisory Board's, FASAB standards.

- AFMS will implement a centralized Financial Review Team (FRT) beginning in Q2 FY 2026 to provide ongoing risk-based monitoring of expenses, accruals, and internal controls across participating agencies. The FRT will standardize documentation requirements, perform recurring testing, evaluate the design and operating effectiveness of key controls, and coordinate with components to address identified deficiencies in a timely manner. These actions will build upon the informal review activities initiated by the Expenditure Review Team (ERT) in FY 2025.

AFMS did not complete key corrective actions to fully address the previously identified deficiencies in the AFF/SADF's internal controls over accounting for seized property. Asset Forfeiture Program, AFP participating agencies did not consistently define and implement policies, procedures and controls over the existence, accuracy, and valuation of seized digital assets.

Specifically, participating agencies inconsistently interpreted the activity that constituted the date of seizure, revalued assets after initial seizure, and did not identify aged seizures that were not compliant with current period policies and practices including related to valuation and custody. The risk assessment performed by AFMS and other participating agencies did not define all risks related to the timely and accurate entry of seizure information, including uncertainty in establishing the custody date and timeliness of data entry.

To mitigate this finding:

- AFMS will work with AFP participating agencies to clarify the investigative and legal requirements for seizing digital assets and to ensure that seizure dates recorded in CATS align with legal standards and comply with the valuation at seizure requirements outlined in the FASAB Statement of Federal Accounting Standards 3 (SFFAS 3), Accounting for Inventory and Related Property.
- AFMS Legal and Program Support Group will collaborate with participating agencies that seize digital assets to identify the investigative steps and legal actions taken when determining the appropriate seizure date to be recorded in CATS. The seizure date agreed upon with AFP participating agencies will be used for valuation at seizure, as prescribed by SFFAS 3. AFMS has begun defining these investigative steps in a policy memorandum to AFP participating agencies, along with guidance on determining the appropriate seizure date and valuation processes for digital assets, to ensure compliance with FASAB requirements while preserving agencies' ability to implement and enforce the Civil Asset Forfeiture Reform Act of 2000 (CAFRA).
- AFMS will work with participating agencies to refine seizure definitions for virtual currency and to develop new controls that ensure seizure data remains consistent between CATS and participating agencies' case management systems.
- AFMS will also develop new testing methodologies to ensure that aged seized digital asset populations are accurately reflected in CATS with current seizure information, including valuation at seizure.
- AFMS will update the AFF Financial and Administrative Guide to require AFP agencies to enter data in CATS in more timely manner. In addition, CATS has been modified to allow for review of any transactions that are delayed, to determine if the AFF/SADF Financial Statements need to be modified.
- AFMS has developed and implemented a process to monitor for assets with the appearance of late entry into CATS. The system now creates an automated prompt when the user attempts to enter

information that would be considered delayed. The user must identify the reason for the perceived late entry that would require a needed adjustment in Note 7 of the financial statements.

Furthermore, automation is currently being developed to update reporting to make the adjustment in the Asset Forfeiture Financial Statement reports utilized for Note 7, limiting the number of unexplained adjustments.

- AFMS will also adjust the testing methodology and risk assessment to follow assets through the lifecycle from seizure to disposal. This will allow for updates in the system to be corrected as they are made prior to the end of the quarter.

AFMS's control over reviewing its financial statements did not effectively detect and correct an inaccurate value for a seized digital asset presented in *Note 22, Subsequent Events*. The value disclosed in the initial draft financial statements was based on the date the civil complaint was filed rather than the date of initial seizure. Additionally, the value recorded in the property system was based on an inaccurate seizure date.

To mitigate this finding:

- AFMS will work with JMD Finance Staff to ensure calculation methodologies are reviewed to ensure proper calculation of amounts presented in the financial statements and note disclosures.

Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers.



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Assistant Director
Washington, DC

**Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the ATF's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the ATF to the Department without alteration or adjustment by any official at the Department.

**FRANCIS
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Francis H. Frandé, Chief Financial Officer

1.27.2026

Date

Department of Justice - BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
Decision Unit: Law Enforcement Operations			
<i>Investigations</i>	\$42.581	\$34.257	
<i>Harm Reduction</i>	\$0.100	\$0.100	
Total, Decision Unit: Law Enforcement Operations	\$42.681	\$34.357	
Total Drug Funding			
Drug Resources Personnel Summary			
Total FTEs (direct only)	170	135	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$1.6	\$1.2	
Drug Resources Percentage	2.6%	2.8%	



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Assistant Director

Washington, DC

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the ATF's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the ATF's accounting system of record for this Budget Decision Unit.
2. The drug methodology used by the ATF to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in the Detailed Accounting Report is the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision during FY 2024 for reprogrammings or transfers affecting drug-related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. ATF did not have any ONDCP Fund Control Notices issued in FY 2024.

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1.27.2026

Francis H. Frandé
Chief Financial Officer

Date

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit #1: Law Enforcement Operations	
Harm Reduction	\$ 0.07
Investigations	43.85
	-
	-
Total Law Enforcement Operations	<u>\$ 43.92</u>
 Total Obligations	 <u><u>\$ 43.92</u></u>
 High-Intensity Drug Trafficking Area (HIDTA) Obligations	 \$ 0.57
Organized Crime Drug Enforcement Task Force (OCDETF) Obligations	\$ 13.00

* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025

Disclosure 1: Drug Methodology

The Bureau of Alcohol, Tobacco, Firearms and Explosive (ATF) does not receive a specific appropriation for drug-related work relative to the National Drug Control Strategy (Strategy). However, the ATF does contribute to the Strategy through its mission to address violent firearms crime by drug offenders in American communities.

To quantify how the ATF supports the Strategy, the total number of cases involving a drug or narcotics charge identified in the ATF's case management system are divided by the total number of actual cases to arrive at a ratio of criminal investigations with a drug or narcotics nexus. Cases with drug attributes include charges filed under 18 USC 922(g)(3); 18 USC 924(c); 18 USC 922(d)(3); narcotics violations (Federal/State); 21 USC 844(a); 21 USC 846 and several other provisions related to narcotics crimes to derive the drug nexus ratio. Further, the ATF factors in drug charges as a percentage of all charges in drug-related cases. Since many cases involve criminal possession and use of firearms, illegal firearms trafficking, and gang-related violent crime, many offenders and gang members arrested are often in possession of illegal drugs or narcotics. While not the ATF's primary mission, the seizure of these drugs/narcotics and the filing of criminal charges under the drug statutes do support the Strategy.

Disclosure 2: Methodology Modifications

There have been no changes in the ATF's Drug Methodology.

Disclosure 3: Material Weaknesses or Other Findings

As of January 15, 2026, the Department's assessment of risk and internal control in FY 2025 conducted in accordance with OMB Circular A-123 has not identified any findings which may materially affect the presentation of prior year drug-related obligations data. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.

Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers related to drug-related budgetary resources.

Disclosure 5: Other Disclosures

The ATF has no other disclosures related to drug-related obligations, data or methodology.



Review of the
Federal Bureau of Prisons'
Accounting of Drug Control Funding
Fiscal Year 2025



AUDIT DIVISION

26-016

FEBRUARY 2026

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.



EXECUTIVE SUMMARY

Review of the Federal Bureau of Prisons' Accounting of Drug Control Funding Fiscal Year 2025

Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice Federal Bureau of Prisons' (BOP) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to BOP management's submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2025, in order for it to be in accordance with the Circular.

Recommendations

No recommendations were provided in this report.

Results

The OIG performed an attestation review of the BOP's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2025. The detailed accounting includes the Budget Formulation Compliance Report (BFCR), Detailed Accounting Report (DAR), and related assertions by BOP management. The BOP reported approximately \$3.80 billion of drug control obligations for fiscal year 2025.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the requirements set forth in the Circular. We concluded that we are not aware of any such material modifications. For fiscal year 2024, the OIG also concluded that no material modifications were needed to BOP's submission to the ONDCP (OIG Audit Division Report Number 25-028).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Director
Federal Bureau of Prisons

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) and Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) Federal Bureau of Prisons (BOP) for the fiscal year ended September 30, 2025. BOP management is responsible for the preparation of the BFCR and DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the BFCR, DAR, and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the BFCR, DAR, or related assertions for the year ended September 30, 2025, in order for them to be in accordance with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR and DAR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DOJ, BOP, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.
January 26, 2026



U.S. Department of Justice
Federal Bureau of Prisons

Central Office

Washington, DC 20534

**Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Federal Bureau of Prison's (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the BOP's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the BOP to the Department without alteration or adjustment by any official at the Department.

A handwritten signature in cursive script that reads "Loneryl Burns".

Loneryl Burns, Assistant Director

January 26, 2026

Date

Department of Justice - Federal Prison System (BOP)
Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
<i>Decision Unit Inmate Care and Programs</i>			
Corrections	\$1,477.210	\$1,474.420	
Treatment	\$98.110	\$104.810	
Harm Reduction	\$0.390	\$0.400	
Total, Decision Unit	\$1,575.710	\$1,579.630	
<i>Decision Unit Security/Management & Administration</i>			
Corrections	\$1,932.720	\$2,160.040	
Total, Decision Unit	\$1,932.720	\$2,160.040	
<i>Decision Unit Contract Confinement</i>			
Corrections	\$191.770	\$200.110	
Treatment	\$164.650	\$145.810	
Total, Decision Unit	\$356.420	\$345.920	
<i>Decision Unit New Construction</i>			
Corrections	\$14.180	\$0.890	
Total, Decision Unit	\$14.180	\$0.890	
<i>Decision Unit M&R</i>			
Corrections	\$61.480	\$50.950	
Total, Decision Unit	\$61.480	\$50.950	
Total Drug Funding	\$3,940.510	\$4,137.430	
Drug Resources Personnel Summary			
Total FTEs (direct only)	18,007	18,114	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	8.6	8.9	
Drug Resources Percentage	45.6%	46.6%	



**U.S. Department of Justice
Federal Bureau of Prisons**

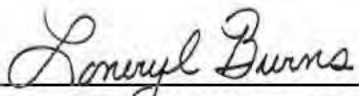
Central Office

Washington, DC 20534

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Federal Bureau of Prison's (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the BOP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the BOP's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the BOP to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. All material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which may affect the presentation of drug-related obligations have been disclosed.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources in excess of \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. BOP did not have any ONDCP Fund Control Notices issued in FY 2025.


Loneryl Burns, Assistant Director

January 26, 2026
Date

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)**

	FY 2025 Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit #1: Inmate Care and Programs	
Treatment	\$ 93.17
Corrections	1,447.26
Harm Reduction	0.90
Total Inmate Care and Programs	\$ 1,541.33
Decision Unit #2: Security/Management and Administration	
Correction	\$ 1,897.99
Total Security/Management and Administration	\$ 1,897.99
Decision Unit #3: Contract Confinement	
Treatment	\$ 84.21
Corrections	218.92
Total Contract Confinement	\$ 303.13
Decision Unit #4: New Construction	
Corrections	\$ 2.94
Total New Construction	\$ 2.94
Decision Unit #4: Modernization and Repair	
Corrections	\$ 56.30
Total Modernization and Repair	\$ 56.30
Total Obligations	\$ 3,801.69
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Obligations	\$ -

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 1: Drug Methodology

The mission of the Federal Bureau of Prisons (BOP) is to protect society by confining offenders in the controlled environments of prisons and community-based facilities that are safe, humane, cost-efficient, appropriately secure, and which provide work and other self-improvement opportunities to assist offenders in becoming law-abiding citizens.

The BOP's drug resources are divided into two functions: 1) Treatment; and 2) Corrections.

Treatment Function Obligations are calculated by totaling, actual amount obligated (100%) for Drug Treatment Functions, which includes: Drug Program Screening and Assessment; Drug Abuse Education; Non-Residential Drug Abuse Treatment; Residential Drug Abuse Treatment; and Community Transitional Drug Abuse Treatment. The treatment obligations for Community Transitional Drug Treatment are captured in Contract Confinement Decision unit, where, as all other programs are included in Inmate Care and Program Decision Unit.

Correction Function Obligations are calculated by totaling, all BOP Direct Obligations, subtracting Treatment Functions obligations from it and applying drug percentage to these obligations. Drug percentage is the percentage of inmates sentenced for drug-related crimes (43.0%).

The Harm Reduction is supported by Narcan/eligible expenses data pulled from McKesson Connect for BOP Prime Vendor purchases. A report was received from Emergent pharmaceuticals for the small purchases from BOP secondary vendor.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021. The table represents obligations incurred by the BOP for drug control purposes. The amounts are net of all reimbursable agreements.

Data - All accounting information for the BOP is derived from the Department of Justice (DOJ) Unified Financial Management System (UFMS).

Financial Systems - The UFMS is the DOJ financial system that provides BOP obligation data. Obligations in this system can also be reconciled with the enacted appropriation and carryover balances.

Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been changed from the prior year (FY 2024).

**U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 3: Material Weaknesses or Other Findings

For FY 2025, the BOP was included in the DOJ consolidated financial statements audit and did not receive separate financial statements audit opinion. The DOJ's consolidated FY 2025 Independent Auditors' Report, which was performed in accordance with Government Auditing Standards, revealed no material weaknesses, significant deficiencies, or other findings for the BOP. Additionally, the Department's review of the BOP internal controls as well as program activity for FY 2025 conducted in accordance with OMB Circular A- 123 did not identify any findings that adversely affected the functioning of existing controls, or the integrity of the data used in published financial reports.

Disclosure 4: Reprogrammings or Transfers

BOP's FY 2025 obligations include all approved transfers. In FY 2025, there was a transfer of \$82.7 million from the BOP's S&E funds to Health and Human Services for Public Health Service (PHS).

U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
Decision Unit #1: Inmate Care and Programs				
Corrections	\$ -	\$ 35.56	\$ (35.56)	\$ -
Total Inmate Care and Programs	\$ -	\$ 35.56	\$ (35.56)	\$ -
Decision Unit #2: Security/Management and Administration				
Corrections	\$ -	\$ -	\$ -	\$ -
Total Security/Management and Administration	\$ -	\$ -	\$ -	\$ -
Decision Unit #3: Contract Confinement				
Corrections	\$ -	\$ -	\$ -	\$ -
Total Contract Confinement	\$ -	\$ -	\$ -	\$ -
Total Funding	\$ -	\$ 35.56	\$ (35.56)	\$ -
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$ -	\$ -	\$ -	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF)	\$ -	\$ -	\$ -	\$ -



U.S. Department of Justice

Criminal Division

Office of Administration

Washington, D.C. 20530

Budget Formulation Compliance Report Management's Assertion Statement For Fiscal Year Ended September 30, 2025

On the basis of the Criminal Division's management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the Criminal Division's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the Criminal Division to the Department without alteration or adjustment by any official at the Department.

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Stacie Bass, Executive Officer

1.26.2026

Date

Department of Justice - CRIMINAL DIVISION
Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
Decision Unit: Enforcing Federal Criminal Laws			
<i>Prosecution</i>	\$53.228	\$54.344	
Total Drug Resources by Funding			
Drug Resources Personnel Summary			
Total FTEs (direct only)	153	159	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$0.2	\$0.2	
Drug Resources Percentage	24.1%	22.1%	



U.S. Department of Justice

Criminal Division

Office of Administration

Washington, D.C. 20530

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Criminal Division (CRM) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the CRM system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against CRM's accounting system of record for this Budget Decision Unit.
2. The drug methodology used by CRM to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in the Detailed Accounting Report is the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision during FY 2025 for reprogrammings or transfers affecting drug-related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. CRM did not have any ONDCP Fund Control Notices issued in FY 2025.

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Stacie Bass, Executive Officer

1.26.2026

Date

**U.S. Department of Justice
Criminal Division
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)**

	FY 2025 Actual Obligations
Drug Obligations by Budget Decision Unit and Function:	
Decision Unit: Enforcing Federal Criminal Laws	
Prosecution	\$ 53.14
Total Enforcing Federal Criminal Laws	\$ 53.14
Total Drug Control Obligations	\$ 53.14

**U.S. Department of Justice
Criminal Division
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 1: Drug Methodology

The Criminal Division (CRM) develops, enforces, and supervises the application of all Federal criminal laws except those specifically assigned to other divisions. In executing its mission, the CRM dedicates specific resources in support of the National Drug Control Strategy that focus on disrupting domestic drug trafficking and production and strengthening international partnerships. CRM's drug budget is the funding available for the Division's drug-related activities. The CRM Sections and Offices contributing to this budget are:

- Appellate Section (APP)
- Computer Crimes and Intellectual Property Section (CCIPS)
- Capital Case Section (CCS)
- Human Rights and Special Prosecutions Section (HRSP)
- Money Laundering and Asset Recovery Section (MLARS)
- Narcotic and Dangerous Drug Section (NDDS)
- Office of Enforcement Operations (OEO)
- Office of International Affairs (OIA)
- Office of Policy and Legislation (OPL)
- Violent Crime and Racketeering Section (VCRS)

Since CRM's accounting system, Department of Justice's (DOJ's) Unified Financial Management System (UFMS), does not track obligation and expenditure data by ONDCP's drug functions, CRM's drug resources figures are derived by estimating the level of involvement of each Division component in drug-related activities. Each component is required to estimate the percentage of work/time that is spent addressing drug-related issues. This percentage is then applied against each component's overall resources to develop an estimate of resources dedicated to drug-related activities. Component totals are then aggregated to determine the Division total. For FY 2025, the Division's drug resources as a percentage of its overall actual obligations were 23.6%.

Data – All accounting information for CRM is derived from DOJ's Unified Financial Management System (UFMS).

Financial Systems – UFMS is DOJ's financial system that provides CRM with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications were made to the methodology from the prior year.

**U.S. Department of Justice
Criminal Division
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 3: Material Weaknesses or Other Findings

The Criminal Division (CRM) is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2025, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. Additionally, the Department's assessment of risk and internal control in FY 2025 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected the CRM's drug-related budgetary resources.

Disclosure 5: Other Disclosures

There are no other disclosures necessary to clarify any issues regarding the data reported.



Review of the Drug Enforcement Administration's Accounting of Drug Control Funding Fiscal Year 2025



AUDIT DIVISION

26-017

FEBRUARY 2026

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.



EXECUTIVE SUMMARY

Review of the Drug Enforcement Administration's Accounting of Drug Control Funding Fiscal Year 2025

Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice Drug Enforcement Administration (DEA) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to DEA management's submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2025, in order for it to be in accordance with the Circular.

Recommendations

No recommendations were provided in this report.

Results

The OIG performed an attestation review of the DEA's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2025. The detailed accounting includes the Budget Formulation Compliance Report (BFCR), Detailed Accounting Report (DAR), and related assertions by DEA management. The DEA reported approximately \$3.37 billion of drug control obligations for fiscal year 2025.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the requirements set forth in the Circular. We concluded that we are not aware of any such material modifications. For fiscal year 2024, the OIG also concluded that no material modifications were needed to DEA's submission to the ONDCP (OIG Audit Division Report Number 25-029).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Administrator
Drug Enforcement Administration

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) and Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) Drug Enforcement Administration (DEA) for the fiscal year ended September 30, 2025. DEA management is responsible for the preparation of the BFCR and DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the BFCR, DAR, and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the BFCR, DAR, or related assertions for the year ended September 30, 2025, in order for them to be in accordance with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR and DAR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DOJ, DEA, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

A handwritten signature in black ink, reading "Kelly A. McFadden", is positioned above the typed name.

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.
January 26, 2026



**U. S. Department of Justice
Drug Enforcement Administration**

www.dea.gov

**Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

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, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the DEA's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the DEA to the Department without alteration or adjustment by any official at the Department.

DIANE PARKS Digitally signed by DIANE PARKS
Date: 2026.01.26 15:19:37 -05'00'

Diane M. Parks, Chief Financial Officer

Date

Department of Justice - Drug Enforcement Administration

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Budget Decision Unit and Function:			
Decision Unit #1 Domestic Enforcement			
Investigations	1,919.708	2,046.250	
Intelligence: Domestic Law Enforcement	151.437	167.798	
Prevention	5.278	4.596	
Harm Reduction	0.144	0.102	
Total, Decision Unit #1	\$2,076.567	\$2,218.746	
Decision Unit #2 International Enforcement			
International	451.442	224.348	
Intelligence: International	26.069	12.063	
Harm Reduction	0.002	0.010	
Total, Decision Unit #2	\$477.513	\$236.421	
Decision Unit #3 State and Local Assistance			
State and Local Assistance	12.919	-	
Total, Decision Unit #3	\$12.919	\$0.000	
Decision Unit #4 Diversion Control Fee Account			
Investigations	585.348	635.804	
Intelligence: Domestic Law Enforcement	23.856	26.898	
Prevention	3.727	6.946	
Harm Reduction	0.023	0.011	
Total, Decision Unit #4	\$612.954	\$669.660	
Total Funding	\$3,179.953	\$3,124.827	
Drug Resources Personnel Summary			
Total FTEs (direct only)	6,366	6,850	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$3.2	\$3.1	
Drug Resources Percentage	100.0%	100.0%	



U. S. Department of Justice
Drug Enforcement Administration

www.dea.gov

Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025

On the basis of the Drug Enforcement Administration (DEA) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the DEA system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations reported by budget decision unit represent the actual obligations derived from the DEA's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the DEA to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in the Detailed Accounting Report is the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision during FY 2025 for reprogrammings or transfers affecting drug-related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. The DEA did not have any ONDCP Fund Control Notices issued in FY 2025.

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Date: 2026.01.26 15:52:04 -05'00'

Diane M. Parks, Chief Financial Officer

Date

U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	FY 2025 Obligations
Diversion Control Fee Account	
Intelligence	\$ 27.58
Investigations	635.67
Prevention	6.96
Harm Reduction	0.02
Total Diversion Control Fee Account	\$ 670.23
Domestic Enforcement	
Intelligence	\$ 170.60
Investigations	2,023.80
Prevention	7.71
Harm Reduction	0.12
Total Domestic Enforcement	\$ 2,202.23
International Enforcement	
Intelligence	\$ 29.54
International	456.86
Total International Enforcement	\$ 486.40
State and Local Assistance	
State and Local Assistance	\$ 11.28
Total State and Local Assistance	\$ 11.28
Total Obligations	\$ 3,370.14
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 16.59
Organized Crime Drug Enforcement Task Force (OCDETF) Obligations	\$ 181.46

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 1: Drug Methodology

The mission of the Drug Enforcement Administration (DEA) is to enforce the controlled substances laws and regulations of the United States and to bring to the criminal and civil justice system of the United States or any other competent jurisdiction, those organizations, and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets. In carrying out its mission, the DEA is the lead agency responsible for the development of the overall Federal drug enforcement strategy, programs, planning, and evaluation. The DEA's primary responsibilities include:

- Investigation and preparation for prosecution of major violators of controlled substances laws operating at interstate and international levels;
- Management of a national drug intelligence system in cooperation with Federal, state, local, and foreign officials to collect, analyze, and disseminate strategic and operational drug intelligence information;
- Seizure and forfeiture of assets derived from, traceable to, or intended to be used for illicit drug trafficking;
- Enforcement of the provisions of the Controlled Substances Act and the Chemical Diversion and Trafficking Act as they pertain to the manufacture, distribution, and dispensing of legally produced controlled substances and chemicals;
- Coordination and cooperation with Federal, state and local law enforcement officials on mutual drug enforcement efforts and enhancement of such efforts through exploitation of potential interstate and international investigations beyond local or limited Federal jurisdictions and resources;
- Coordination and cooperation with other Federal, state, and local agencies, and with foreign governments, in programs designed to reduce the availability of illicit abuse-type drugs on the United States market through non-enforcement methods such as crop eradication, crop substitution, and training of foreign officials;
- Responsibility, under the policy guidance of the Secretary of State and U.S. Ambassadors, for all programs associated with drug law enforcement counterparts in foreign countries;
- Liaison with the United Nations, Interpol, and other organizations on matters relating to international drug control programs; and

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

- Supporting and augmenting U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations, as well as the use of illicit drugs as barter for munitions to support terrorism.

The accompanying Table of Drug Control Obligations was prepared in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, showing function and decision unit. The table represents obligations incurred by the DEA for drug control purposes and reflects one hundred percent of the DEA's mission.

Since the DEA's accounting system, the Unified Financial Management System (UFMS), does not track obligation and expenditure data by ONDCP's drug functions, the DEA uses Managerial Cost Accounting (MCA), a methodology approved by ONDCP to allocate obligations tracked in DEA's appropriated accounts and decision units to ONDCP's drug functions. The Salaries and Expense appropriated account is divided into three decision units, Domestic Enforcement, International Enforcement, and State and Local Assistance. The Diversion Control Fee Account (DCFA) is fee funded by Registrants and covers the full costs of DEA's Diversion Control Program's operations. Thus, the total DCFA cost is tracked and reported as a decision unit by itself to distinguish it from the appropriated S&E account. Although not appropriated funding, the DCFA as authorized by Congress is subject to all rules and limitations associated with Appropriations Law.

Data: *All accounting data for the DEA are maintained in UFMS. UFMS tracks obligation and expenditure data by a variety of attributes, including fund type, allowance center, decision unit and object class. One hundred percent of the DEA's efforts are related to drug enforcement.*

Financial Systems: *UFMS is the information system the DEA uses to track obligations and expenditures. Obligations derived from this system can also be reconciled against enacted appropriations and carryover balances.*

Managerial Cost Accounting: *The DEA uses allocation percentages generated by MCA to allocate resources associated with the DEA's four decision units to ONDCP's drug functions. The MCA model, using an activity-based costing methodology, provides the full cost of the DEA's mission outputs (performance costs). The table below shows the allocation percentages based on the DEA's MCA data.*

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

The DEA Budget Decision Unit	Allocation	ONDCP Function
Diversion Control Fee Account	4.11%	Intelligence
	94.85%	Investigations
	1.04%	Prevention
	0.00%	Harm Reduction
Domestic Enforcement	7.75%	Intelligence
	91.89%	Investigations
	0.35%	Prevention
	0.01%	Harm Reduction
International Enforcement	6.07%	Intelligence
	93.93%	International
State and Local Assistance	100.00%	State and Local Assistance

Decision Units: One hundred percent of the DEA's total obligations by decision unit are associated with drug enforcement. This total is reported and tracked in UFMS.

Full Time Equivalents (FTE): One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA's Direct FTE total for FY 2025 including Salaries & Expenses (S&E) and Diversion Control Fee Account (DCFA) appropriations, was 7,999 through pay period 18, ending September 20, 2025.

Transfers and Reimbursements: High Intensity Drug Trafficking Area (HIDTA) transfers and reimbursable obligations are excluded from the DEA's Table of Drug Control Obligations since they are reported by other sources.

Disclosure 2: Methodology Modifications

The DEA's method for tracking drug enforcement resources has not been modified from the prior year methodology. The DEA uses current MCA data to allocate FY 2025 obligations from four decision units to ONDCP's drug functions.

**U.S. Department of Justice
Drug Enforcement Administration
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 3: Material Weaknesses or Other Findings

DEA was included in the Department of Justice (DOJ) consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2025 Independent Auditors' Report reported a material weakness for DOJ titled "Improvements are Need in Internal Controls Over Financial Reporting, Risk Assessment Processes, and Monitoring Activities" in which DEA was included as part of the material weakness relating to DEA's financial statements having a specific Note disclosure which omitted a line for amounts restricted for use in future fiscal years. This weakness did not note that DEA's obligations are affected. Additionally, the DEA's assessment of risk and internal controls in FY 2025 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

DEA did not have a reprogramming in FY 2025. DEA did not have transfers during FY 2025 requiring a DEA submission to Congress of a reprogramming or transfer request with respect to any amount of appropriated funds with individual or in aggregate transfer amounts that matched or exceeded the \$5M or 10 percent of a specific program threshold.



U.S. Department of Justice

Federal Bureau of Investigation

Washington, D. C. 20535-0001

**U.S. Department of Justice
Federal Bureau of Investigation
Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Federal Bureau of Investigation's (FBI) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the Federal Bureau of Investigation's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the FBI to the Department without alteration or adjustment by any official at the Department.

Nicholas Dimos, Chief Financial Officer

1-22-26

Date

Department of Justice - FEDERAL BUREAU OF INVESTIGATION

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
Decision Unit: Intelligence			
<i>Intelligence</i>	\$ 12.055	\$ 16.436	
Total Drug Resources by Funding	\$ 12.055	\$ 16.436	\$
Decision Unit: Criminal Enterprises/Federal Crimes			
<i>Investigations</i>	\$ 163.948	\$ 303.877	
<i>Harm Reduction</i>	\$ 0.050	\$ 0.050	
Total Drug Resources by Funding	\$ 163.998	\$ 303.927	\$
Total, Decision Unit #1			
Total Drug Funding	\$ 176.053	\$ 320.363	\$
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,003	1,425	
Drug Resources as a Percent of Budget			
*Total Agency Budget (in billions)	\$10.6	\$10.1	
Drug Resources Percentage	1.7%	3.2%	

*Total Agency Budget does not include emergency supplemental funding or reimbursable funding received from HIDTA and OCOETF.

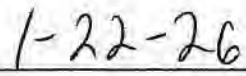
**Federal Bureau of Investigation
Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Federal Bureau of Investigation's (FBI) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the Federal Bureau of Investigation's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the FBI's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the FBI to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2025.
7. FBI did not have any ONDCP Fund Control Notices issued in FY 2025.



Nicholas Dimos, Chief Financial Officer



Date

[illegible]

**U.S. Department of Justice
Federal Bureau of Investigation
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 1: Drug Methodology

The FBI's National Drug Control strategy is calculated based on a percentage of resources from the FBI's Transnational Organized Crime - Eastern Hemisphere (TOC-E), Transnational Crime - Western Hemisphere (TOC-W), and Healthcare Fraud (HCF) programs. The total obligations from each of the above listed programs are pulled from the FBI's Unified Financial Management System (UFMS). Non-personnel funding is determined by programmatic requirements and was calculated by evaluating both the allocated resources to these three initiatives, as well as the proportion of the criminal program's investigative and intelligence efforts dedicated to drug control. Total obligations for the three programs are multiplied by the percentage of the total programmatic resources that are scored to the National Drug Control Strategy. The applied percentages are determined by the number of open cases, within the TOC-E, TOC-W, and Health Care Fraud programs that are drug related. Personnel resources are calculated based on the FBI's actual personnel time utilization, often referred to as Time Utilization and Record Keeping (TURK). Full-Time Equivalents (FTE) are used to quantify employment as a function of hours worked during a fiscal year and the data comes from payroll processed at the National Finance Center. The payroll FTE was reported by program and subprogram for Field Offices using an activity-based costing methodology incorporating both HR data and (TURK) data. The resources reported as "Intelligence" represent the resources that are scored to the Intelligence decision unit which include FBI intelligence activities focused on strategic, tactical, and network analysis; training, outreach, and collaboration; and tool development. The "Investigative" resources represent budgetary resources that are scored to the Criminal Enterprises and Federal Crimes decision unit.

Disclosure 2: Methodology Modifications

The FBI does not have any modifications to the methodology to report

Disclosure 3: Material Weaknesses or Other Findings

The FBI does not have any material weaknesses or other findings to report.

Disclosure 4: Reprogrammings or Transfers

The FBI does not have any reprogrammings or transfers to report.

Disclosure 5: Other Disclosures

The FBI does not have any other disclosures to report.



Review of the
Organized Crime Drug Enforcement Task Forces'
Accounting of Drug Control Funding
Fiscal Year 2025



AUDIT DIVISION

26-018

FEBRUARY 2026



EXECUTIVE SUMMARY

Review of the Organized Crime Drug Enforcement Task Forces' Accounting of Drug Control Funding Fiscal Year 2025

Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice Organized Crime Drug Enforcement Task Forces (OCDETF) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to OCDETF management's submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2025, in order for it to be in accordance with the Circular.

Recommendations

No recommendations were provided in this report.

Results

The OIG performed an attestation review of the OCDETF's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2025. The detailed accounting includes the Detailed Accounting Report (DAR) and related assertions by OCDETF management. OCDETF reported approximately \$527 million of drug control obligations for fiscal year 2025.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the DAR or related assertions in order for them to be in accordance with the requirements set forth in the Circular. ONDCP approved OCDETF's request to exclude its submission of a Budget Formulation Compliance Report and related assertions for fiscal year 2025.

We concluded that we are not aware of any such material modifications. For fiscal year 2024, the OIG also concluded that no material modifications were needed to OCDETF's submission to the ONDCP (OIG Audit Division Report Number 25-048).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Assistant Attorney General for Administration
Justice Management Division

We have reviewed the accompanying Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) Organized Crime Drug Enforcement Task Forces (OCDETF) for the fiscal year ended September 30, 2025. OCDETF management is responsible for the preparation of the DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the DAR or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the DAR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the DAR or related assertions for the year ended September 30, 2025, in order for them to be in accordance with the requirements set forth in the Circular.

The purpose of this report is to authenticate the DAR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DOJ, OCDETF, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.
January 26, 2026



U.S. Department of Justice

Justice Management Division

Washington, D.C. 20530

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Organized Crime Drug Enforcement Task Force (OCDETF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the OCDETF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the OCDETF's accounting system of record for these Budget Decision Units.
2. The drug methodology used by the OCDETF to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in the Detailed Accounting Report is the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision during FY 2025 for reprogrammings or transfers affecting drug-related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2025.

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Christopher Alvarez, Deputy Assistant
Attorney General/Controller

Date

U.S. Department of Justice
Organized Crime Drug Enforcement Task Force (OCDETF) Program
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	FY 2025 Obligations
Decision Unit #1: Investigations	
Drug Enforcement Administration (DEA)	\$ 168.88
Federal Bureau of Investigation (FBI)	123.21
U.S. Marshals Service (USMS)	10.11
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	12.61
OCDETF Fusion Center (OFC)	40.13
International Organized Crime Intelligence and Operations Center (IOC-2)	2.20
National Emerging Threats	0.77
Co-Located Strike Forces Operations	3.60
Total Investigations	\$ 361.51
Decision Unit #2: Prosecutions	
U.S. Attorneys (USAs)	\$ 162.71
Criminal Division (CRM)	1.99
EXO Threat Response Unit (TRU)	0.27
National Security Division (NSD)	0.85
Total Prosecutions	\$ 165.82
Total Obligations	\$ 527.32
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -

U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces Program
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025

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.

In July 2023, the *OCDETF Program Guidelines (Program Guidelines)* were issued, officially broadening the aperture of OCDETF beyond counter-narcotics. Building on forty years of success applying a multi-agency, counter-network strategy, the *Program Guidelines* expanded OCDETF's investigative and prosecutorial efforts to include all high priority transnational organized crime (TOC) organizations and empowered United States Attorneys and federal law enforcement to respond more adroitly to ever-changing criminal threats. For example, the updated *Program Guidelines* support the designation of TOC organizations—regardless of any direct connection to drug trafficking—to the CPOT and RPOT lists. Thus, a small portion of OCDETF appropriated resources supported non-drug TOC cases in FY 2025.

The OCDETF Program is directly charged with carrying out the DOJ drug supply reduction strategy, and 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.

U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces Program
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021. The Table represents obligations from the ICDE account incurred by OCDETF for drug control purposes. All amounts are net of reimbursable agreements.

The total obligations in the Financial Table, which in past years has reflected the total direct obligations on the SF-133, was reduced by \$26.99M with consideration for the 246 non-drug TOC cases (approximately 5% of all active cases) in FY 2025.

Data - All accounting information for the OCDETF Program is derived from the DOJ United Financial Management System (UFMS). A majority of ICDE resources are reported as drug-related.

Financial Systems - UFMS is the financial system used to provide all ICDE obligation data. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balances.

The Administration's request for the OCDETF Program reflects a restructuring that collapses the OCDETF Program's four areas - Investigations, Drug Intelligence, Prosecution, and Administrative Support- into two decision units- Investigations and Prosecutions. Under this methodology, the Administrative Support of the OCDETF Executive Office is pro-rated among decision units based on the percentage of appropriated ICDE Program funding. Additionally, Drug Intelligence Costs is reported as part of the Investigations Decision Unit.

The OCDETF Program's Decision Units are divided according to the two major activities of the Task Force – Investigations and Prosecutions – and reflect the amount of reimbursable ICDE resources appropriated for each participating agency. With respect to the Table of Drug Control Obligations, the calculated amounts were derived from the UFMS system as follows:

- a. **Investigations Function** - This decision unit includes the reimbursable resources that support investigative activities of the following participating agencies: the Drug Enforcement Administration; Federal Bureau of Investigation; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the U.S. Marshals Service; the OCDETF Fusion Center; and the International Organized Crime Intelligence and Operations Center. The methodology applies 100 percent of the resources that support the OCDETF Program's investigative activities.
- b. **Prosecution Function** - This decision unit includes the reimbursable prosecution resources for the following participating DOJ agencies: the U.S. Attorneys; the Criminal Division; and the OCDETF Executive Office Threat Response Unit. The methodology applies 100 percent of the OCDETF Program's Prosecution resources to the Prosecution Decision Unit.

**U.S. Department of Justice
Organized Crime Drug Enforcement Task Forces Program
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 2: Methodology Modifications

There were no modifications to the methodology used to report drug control resources.

Disclosure 3: Material Weaknesses or Other Findings

The OCDETF Program is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2025 the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2025 Independent Auditors' Report revealed no material weaknesses or significant deficiencies directed at OCDETF. Additionally, the Department's assessment of risk and internal control in FY 2025 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2025.



Review of the
Office of Justice Programs'
Accounting of Drug Control Funding
Fiscal Year 2025



AUDIT DIVISION

26-019

FEBRUARY 2026

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.



EXECUTIVE SUMMARY

Review of the Office of Justice Programs' Accounting of Drug Control Funding Fiscal Year 2025

Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice Office of Justice Programs (OJP) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to OJP management's submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2025, in order for it to be in accordance with the Circular.

Recommendations

No recommendations were provided in this report.

Results

The OIG performed an attestation review of the OJP's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2025. The detailed accounting includes the Budget Formulation Compliance Report (BFCR), Detailed Accounting Report (DAR), and related assertions by OJP management. The OJP reported approximately \$262.64 million of drug control obligations for fiscal year 2025.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the requirements set forth in the Circular. We concluded that we are not aware of any such material modifications. For fiscal year 2024, the OIG also concluded that no material modifications were needed to OJP's submission to the ONDCP (OIG Audit Division Report Number 25-031).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Deputy Assistant Attorney General for Operations and Management
Office of Justice Programs

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) and Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) Office of Justice Programs (OJP) for the fiscal year ended September 30, 2025. OJP management is responsible for the preparation of the BFCR and DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the BFCR, DAR, and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the BFCR, DAR, or related assertions for the year ended September 30, 2025, in order for them to be in accordance with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR and DAR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DOJ, OJP, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.
January 26, 2026



Washington, D.C. 20531

**Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Office of Justice Programs (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the OJP to the Department without alteration or adjustment by any official at the Department.

RACHEL JOHNSON

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Rachel Johnson
Chief Financial Officer

1/26/2026

Date

Department of Justice - Office of Justice Programs
(Dollars in Millions)

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
<i>Regional Information Sharing System Program</i>			
<i>State and Local Assistance</i>	16.280	16.280	
Total, Regional Information Sharing System Program	\$16.280	\$16.280	
<i>Drug Court Program</i>			
<i>Treatment</i>	56.070	56.070	
<i>Harm Reduction</i>	3.560	3.560	
<i>Recovery</i>	24.920	24.920	
<i>Prevention</i>	4.450	4.450	
Total, Drug Courts Program	\$89.000	\$89.000	
<i>Justice and Mental Health Collaboration Program</i>			
<i>State and Local Assistance</i>	0.528	0.528	
<i>Treatment</i>	6.248	6.248	
<i>Harm Reduction</i>	1.144	1.144	
<i>Recovery</i>	0.880	0.880	
Total, Justice and Mental Health Collaboration	\$8.800	\$8.800	
<i>Residential Substance Abuse Treatment Program</i>			
<i>Treatment</i>	13.500	26.250	
<i>Harm Reduction</i>	0.540	1.050	
<i>Recovery</i>	3.960	7.700	
Total, Residential Substance Abuse Treatment Program	\$18.000	\$35.000	
<i>Harold Rogers' Prescription Drug Monitoring Program</i>			
<i>State and Local Assistance</i>	35.000	35.000	
Total, Harold Rogers' Prescription Drug Monitoring Program	\$35.000	\$35.000	
<i>Second Chance Act Program</i>			
<i>State and Local Assistance</i>	1.213	1.267	
<i>Treatment</i>	27.905	29.151	
<i>Harm Reduction</i>	3.640	3.802	
<i>Recovery</i>	37.780	39.467	
Total, Second Chance Act Program	\$70.538	\$73.687	

Department of Justice - Office of Justice Programs
(Dollars in Millions)

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
<i>Project Hope Opportunity Probation with Enforcement (HOPE)</i>			
Treatment	0.725	-	
Harm Reduction	1.450	-	
Recovery	0.725	-	
Total, Project Hope	\$2.900	\$0.000	
<i>Edward Byrne Memorial Justice Assistance Grant Program</i>			
State and Local Assistance	73.458	65.651	
Recovery	6.388	5.709	
Total, Edward Byrne Memorial Justice Assistance Grant Program	\$79.845	\$71.360	
<i>Veterans Treatment Courts Program</i>			
State and Local Assistance	0.640	0.600	
Treatment	9.920	9.300	
Harm Reduction	8.640	8.100	
Recovery	12.800	12.000	
Total, Veterans Treatment Courts Program	\$32.000	\$30.000	
<i>Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)</i>			
State and Local Assistance	7.560	7.560	
Treatment	49.140	49.140	
Harm Reduction	56.700	56.700	
Recovery	75.600	75.600	
Total, Comprehensive Opioid, Stimulant, and Substance Use Program	\$189.000	\$189.000	
<i>CTAS Purpose Area 3: Justice Systems and Alcohol and Substance Abuse</i>			
Treatment	12.163	22.430	
Recovery	11.228	20.704	
Total, Tribal Set Aside - CTAS Purpose Area 3	\$23.391	\$43.134	
<i>CTAS Purpose Area 9: Tribal Youth Program</i>			
Treatment	0.576	0.360	
Prevention	4.224	2.640	
Total, Tribal Set Aside - CTAS Purpose Area 9	\$4.800	\$3.000	

Department of Justice - Office of Justice Programs
(Dollars in Millions)

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
<i>COPS Anti-Heroin Task Forces</i>			
State and Local Assistance	35.000	-	
Total, COPS Anti-Heroin Task Forces	\$35.000	\$0.000	
<i>COPS Anti-Methamphetamine Task Forces</i>			
State and Local Assistance	16.000	-	
Total, COPS Anti-Methamphetamine Task Forces	\$16.000	\$0.000	
<i>Forensic Support for Opioid and Synthetic Drug Investigations</i>			
State and Local Assistance	17.000	-	
Total, Forensic Support for Opioid and Synthetic Drug Investigations	\$17.000	\$0.000	
<i>Opioid-Affected Youth Initiative</i>			
Treatment	1.575	1.125	
Harm Reduction	0.315	0.225	
Recovery	0.945	0.675	
Prevention	7.665	5.475	
Total, Opioid-Affected Youth Initiative	\$10.500	\$7.500	
<i>Mentoring for Youth Affected by the Opioid Crisis</i>			
Prevention	16.000	-	
Total, Mentoring for Youth Affected by the Opioid Crisis	\$16.000	\$0.000	
<i>High Intensity Drug Trafficking Area (HIDTA) Grant Program</i>			
State and Local Assistance	[ONDCP]	196.000	
Total, HIDTA Grant Program	[ONDCP]	\$196.000	
Total Drug Funding	\$664.054	\$797.761	
Drug Resources Personnel Summary			
Total FTEs (direct only)	82	82	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions) *	\$2.892	\$2.445	
Drug Resources Percentage	23.5%	32.6%	

Scoring of Drug Related Funding and Allocation of Funding to Drug Control Budget Functions: For full details of the percentage of funding scored as drug related and the allocation of program funding among drug control budget function areas for each of OJP program listed in this table, please see the tab "Current Drug Budget Methodology".

* This table shows both OJP and COPS Office programs; therefore, the total agency funding line reflects that total enacted funding level or budget request for both OJP and the COPS Office.



U.S. Department of Justice

Office of Justice Programs

Washington, D.C. 20531

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the Office of Justice Programs (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the OJP's accounting system of record for these/this Budget Decision Units/Unit.
2. The drug methodology used by the OJP to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. OJP did not have any ONDCP Fund Control Notices issues in FY 2025.

RACHEL JOHNSON Digitally signed by RACHEL JOHNSON
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Rachel Johnson
Chief Financial Officer

1/26/2026

Date

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Total Obligations ^{1/}
Drug Resources by Budget Decision Unit and Function:	
Regional Information Sharing Systems Program	
State and Local Assistance	\$ 14.47
Total, Regional Information Sharing Systems Program	\$ 14.47
Drug Court Program	
Treatment	\$ 6.07
Harm Reduction	0.39
Recovery	2.70
Prevention	0.48
Total, Drug Court Program	\$ 9.64
Justice and Mental Health Collaboration Program	
State and Local Assistance	\$ 0.06
Treatment	0.67
Harm Reduction	0.12
Recovery	0.10
Total, Justice and Mental Health Collaboration Program	\$ 0.95
Residential Substance Abuse Treatment Program	
Treatment	\$ 1.24
Harm Reduction	0.05
Recovery	0.36
Total, Residential Substance Abuse Treatment Program	\$ 1.65
Harold Rogers' Prescription Drug Monitoring Program	
State and Local Assistance	\$ 5.90
Total, Harold Rogers' Prescription Drug Monitoring Program	\$ 5.90

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Total Obligations ^{1/}
Drug Resources by Budget Decision Unit and Function:	
Second Chance Act Program	
State and Local Assistance	\$ 0.42
Treatment	9.68
Harm Reduction	1.27
Recovery	13.10
Total, Second Chance Act Program	\$ 24.47
Project Hope Opportunity Probation with Enforcement (HOPE)	
Treatment	\$ 0.12
Harm Reduction	0.24
Recovery	0.12
Total, Project Hope Opportunity Probation with Enforcement	\$ 0.48
Byrne Criminal Justice Innovation Program	
State and Local Assistance	\$ 0.10
Total, Byrne Criminal Justice Innovation Program	\$ 0.10
Edward Byrne Memorial Justice Assistance Grant Program	
State and Local Assistance	\$ 48.57
Recovery	4.22
Total, Edward Byrne Memorial Justice Assistance Grant Program	\$ 52.79
Tribal Youth Program	
Treatment	\$ 0.17
Prevention	1.22
Total, Tribal Youth Program	\$ 1.39

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Total Obligations ^{1/}
Drug Resources by Budget Decision Unit and Function:	
Veterans Treatment Courts Program	
State and Local Assistance	\$ 0.06
Treatment	0.93
Harm Reduction	0.81
Recovery	1.19
Total, Veterans Treatment Courts Program	\$ 2.99
Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)	
State and Local Assistance	\$ 5.77
Treatment	37.47
Harm Reduction	43.24
Recovery	57.65
Total, Comprehensive Opioid, Stimulant, and Substance Use Program	\$ 144.13
Tribal Assistance (previously Tribal Courts Program and Indian Alcohol and Substance Abuse Program)	
Treatment	\$ 0.81
Recovery	0.75
Total, Tribal Assistance	\$ 1.56
Forensic Support for Opioid and Synthetic Drug Investigations	
State and Local Assistance	\$ 0.91
Total, Forensic Support for Opioid and Synthetic Drug Investigations	\$ 0.91

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Total Obligations ^{1/}
Drug Resources by Budget Decision Unit and Function:	
Opioid-Affected Youth Initiative	
Treatment	\$ 0.10
Harm Reduction	0.02
Recovery	0.06
Prevention	0.49
Total, Opioid-Affected Youth Initiative	\$ 0.67
Mentoring for Youth Affected by the Opioid Crisis	
Prevention	\$ 0.54
Total, Mentoring for Youth Affected by the Opioid Crisis	\$ 0.54
Total Obligations	\$ 262.64
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ -

^{1/} Total obligations reflect direct program obligations plus estimated management and administration obligations.

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 1: Drug Methodology

The mission of the Office of Justice Programs (OJP) is to provide federal leadership, funding, and other critical resources to directly support law enforcement, combat violent crime, protect American children, and provide services to American crime victims. OJP's resources are primarily targeted toward assisting state, local, and tribal governments. In executing its mission, OJP dedicates a significant level of resources to drug-related program activities. These programs focus on improving public safety and order, primarily by supporting law enforcement-related efforts to locate and investigate illicit activities related to the unlawful distribution of opioids and addressing overdose and untreated substance use pre-arrest or pre-trial, post-adjudication, and upon reentry from incarceration.

The Table of Drug Control Obligations was prepared in accordance with the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021. The OJP obligations and other data reported for the FY 2025 attestation reflect the drug budget methodology established by OJP and ONDCP on January 17, 2024.

OJP's Office of the Chief Financial Officer, Budget Formulation and Appropriations Division is responsible for the development and presentation of the annual OJP ONDCP Budget. OJP's FY 2025 drug obligations have a total of 16 decision units identified for the National Drug Control Budget. No new decision units were added in FY 2025 and there have been no further changes in how financial data on OJP's drug-related programs is reported in the Unified Financial Management System (UFMS) since the FY 2022 attestation.

The 16 decision units in FY 2025 include the following:

- Regional Information Sharing Systems Program
- Drug Court Program
- Justice and Mental Health Collaboration Program
- Residential Substance Abuse Treatment Program
- Harold Rogers' Prescription Drug Monitoring Program
- Second Chance Act Program
- Project Hope Opportunity Probation with Enforcement (HOPE)
- Byrne Criminal Justice Innovation Program
- Edward Byrne Memorial Justice Assistance Grant Program
- Tribal Youth Program
- Veterans Treatment Courts Program
- Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)
- Tribal Assistance (*previously Tribal Courts Program and Indian Alcohol and Substance Abuse Program*)
- Forensic Support for Opioid and Synthetic Drug Investigations
- Opioid-Affected Youth Initiative

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

- Mentoring for Youth Affected by the Opioid Crisis

In determining the level of resources used in support of these 16 budget decision units, OJP used the following methodology:

Drug Program Obligations by Decision Unit

Data on obligations, as of September 30, 2025, were gathered from DOJ's UFMS. The total obligations presented for OJP are net of funds obligated under the Crime Victims Fund and Public Safety Officers' Benefits Program.

Management and Administration (M&A) Data

M&A funds are assessed at the programmatic level and obligations are obtained from UFMS. The obligation amounts were allocated to each decision unit by applying the relative percentage of Full-Time Equivalents (FTE) assigned to the 16 drug related decision units to the total M&A obligations for OJP.

Functionally, OJP program activities fall under the following functions: State and Local Assistance, Treatment, Prevention, Recovery and Harm Reduction. 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: OJP's drug-related programs support five drug control budget functions, State and Local Assistance, Treatment, Harm Reduction, Recovery, and Prevention. The data presented in the FY 2025 attestation reflects the methodology (discussed above) in its display of which budget functions supported by each ONDCP drug budget program and how total program funding should be allocated between these functions.

Of the 16 decision units included in this attestation:

- Four decision units (Regional Information Sharing Systems Program, Harold Rogers' Prescription Drug Monitoring Program, Byrne Criminal Justice Innovation Program, and Forensic Support for Opioid and Synthetic Drug Investigations) are classified as supporting State and Local Assistance activities (100 percent State and Local Assistance).

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

- One decision unit (Mentoring for Youth Affected by the Opioid Crisis) is classified as supporting Prevention activities (100 percent Prevention).
- The remaining eleven decisions units support a combination of two or more budget function areas as follows:
 - The Drug Courts Program supports Treatment (63 percent), Harm Reduction (4 percent), Recovery (28 percent), and Prevention (5 percent) activities.
 - The Justice and Mental Health Collaboration Program supports State and Local Assistance (6 percent), Treatment (71 percent), Harm Reduction (13 percent), and Recovery (10 percent) activities.
 - The Residential Substance Abuse Treatment Program supports Treatment (75 percent), Harm Reduction (3 percent), and Recovery (22 percent) activities.
 - Within the Second Chance Act Program, 86 percent of total funding is administered by OJP's Bureau of Justice Assistance (BJA), and the remaining 14 percent is administered by the Office of Juvenile Justice and Delinquency Prevention (OJJDP).
 - The funds managed by BJA support State and Local Assistance (2 percent), Treatment (46 percent), Harm Reduction (6 percent), and Recovery (46 percent) activities; and
 - The funds managed by OJJDP support Recovery (100 percent) activities.
 - The Project Hope Opportunity Probation with Enforcement program supports Treatment (25 percent), Harm Reduction (50 percent), and Recovery (25 percent) activities.
 - The Edward Byrne Memorial Justice Assistance Grant Program supports State and Local Assistance (92 percent) and Recovery (8 percent) activities.
 - The Tribal Youth Program supports Treatment (12 percent) and Prevention (88 percent) activities.
 - Veterans Treatment Courts Program supports State and Local Assistance (2 percent), Treatment (31 percent), Harm Reduction (27 percent), and Recovery (40 percent) activities.

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

- The Comprehensive Opioid, Stimulant, and Substance Use Program supports State and Local Assistance (4 percent), Treatment (26 percent), Harm Reduction (30 percent), and Recovery (40 percent) activities.
- The Tribal Assistance program supports Treatment (52 percent) and Recovery (48 percent) activities.
- The Opioid-Affected Youth Initiative supports Treatment (15 percent), Harm Reduction (3 percent), Recovery (9 percent), and Prevention (73 percent) activities.

Decision Unit: In accordance with the ONDCP Circulars and OJP's revised drug budget methodology, 100 percent of the actual obligations for 7 of the 16 budget decision units are included in the Table of Drug Control Obligations.

As specified in the current OJP drug budget methodology:

- Only 37 percent of the actual obligations for the Regional Information Sharing Systems Program are included;
- Only 22 percent of the actual obligations for the Justice and Mental Health Collaboration Program are included;
- Only 62 percent of the actual obligations administered by the Bureau of Justice Assistance (BJA) and 69 percent of the actual obligations administered by the Office of Juvenile Justice and Delinquency Prevention (OJJDP) under the Second Chance Act are included;
- Only 58 percent of the actual obligations for Project Hope Opportunity Probation with Enforcement are included;
- Only 44 percent of the actual obligations for the Byrne Criminal Justice Innovation are included;
- Only 16 percent of the actual obligations for the Edward Byrne Memorial Justice Assistance Grants Program are included;
- Only 89 percent of the actual obligations for the Tribal Courts Program and Indian Alcohol and Substance Abuse Program are included;
- Only 30 percent of the actual obligations for the Tribal Youth Program are included; and
- Only 50 percent of total actual obligations for the Paul Coverdell Forensic Science Improvement Grants Program are included to

represent the activity under the Forensic Support for Opioid and Synthetic Drug Investigations decision unit.

Disclosure 2: Methodology Modifications

In FY 2025, there were no modifications to the methodology that was approved by ONDCP in January of 2024 and was first implemented in the FY 2023 attestation.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2025, OJP was included in the DOJ consolidated financial statements audit. The DOJ's consolidated FY 2025 *Independent Auditors' Report* revealed no material weaknesses or significant deficiencies directed at OJP. Additionally, the Department's assessment of risk and internal controls in FY 2025 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

In accordance with the ONDCP's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, OJP has provided the attached Table of Reprogrammings and Transfers. In FY 2025, for the reported decision units and programs, OJP had no reprogrammings, and \$135.2 million in drug-related transfers-in/recoveries and \$153.2 million in transfers-out.

The transfers-in amounts include OJP's FY 2025 prior-year recoveries associated with the reported budget decision units, as well as a transfers in from the Office of Community Oriented Policing Services (COPS) to support the Regional Information Sharing System (RISS) and Tribal Assistance programs. The transfers-out amounts reflect the assessments for the 2.0 percent Research, Evaluation, and Statistics (RES) set aside, M&A assessments against OJP programs, as well as a transfer to the Bureau of Indian Affairs (BIA) to support tribes administering their Coordinated Tribal Assistance Solicitation (CTAS) awards under the 477 Program. It also includes a transfer authorized by the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4). This funding was transferred to nine separate accounts within DOJ to support Departmental priorities.

The RES 2.0 percent set-aside was directed by Congress for funds to be transferred to and merged with funds provided to the National Institute of Justice and the Bureau of Justice Statistics to be used for research, evaluation, or statistical purposes. In FY 2025, Congress provided OJP the authority to assess programs for administrative purposes.

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 5: Other Disclosures

In FY 2025, OJP's drug-related programs were supported by \$567.35 million in unobligated resources carried forward from previous fiscal years. Of this amount, \$55.12 million was rescinded to assist in addressing a rescission against OJP's past years' unobligated balances that was included in the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4). (For a program-by-program breakdown of carryforward and rescission amounts, please refer to the Funding Crosswalk for Drug Programs table.)

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in ^{1/}	Transfers-out ^{2/}	Total
Regional Information Sharing Systems Program				
State and Local Assistance	\$ -	\$ 44.00	\$ (3.91)	\$ 40.09
Total, Regional Information Sharing Systems Program	<u>\$ -</u>	<u>\$ 44.00</u>	<u>\$ (3.91)</u>	<u>\$ 40.09</u>
Drug Court Program				
Treatment	\$ -	\$ 6.53	\$ (8.13)	\$ (1.59)
Harm Reduction	-	0.41	(0.52)	(0.10)
Recovery	-	2.90	(3.61)	(0.71)
Prevention	-	0.52	(0.65)	(0.13)
Total, Drug Court Program	<u>\$ -</u>	<u>\$ 10.37</u>	<u>\$ (12.91)</u>	<u>\$ (2.53)</u>
Justice and Mental Health Collaboration Program				
State and Local Assistance	\$ -	\$ 0.29	\$ (0.35)	\$ (0.06)
Treatment	-	3.35	(4.11)	(0.76)
Harm Reduction	-	0.61	(0.76)	(0.15)
Recovery	-	0.47	(0.58)	(0.11)
Total, Justice and Mental Health Collaboration Program	<u>\$ -</u>	<u>\$ 4.72</u>	<u>\$ (5.80)</u>	<u>\$ (1.08)</u>

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
Residential Substance Abuse Treatment Program				
Treatment	\$ -	\$ 1.67	\$ (1.96)	\$ (0.29)
Harm Reduction	-	0.07	(0.07)	-
Recovery	-	0.49	(0.58)	(0.09)
Total, Residential Substance Abuse Treatment Program	\$ -	\$ 2.23	\$ (2.61)	\$ (0.38)
Harold Rogers' Prescription Drug Monitoring Program				
State and Local Assistance	\$ -	\$ 4.40	\$ (5.08)	\$ (0.68)
Total, Harold Rogers' Prescription Drug Monitoring Program	\$ -	\$ 4.40	\$ (5.08)	\$ (0.68)
Second Chance Act Program				
State and Local Assistance	\$ -	\$ 0.22	\$ (0.25)	\$ (0.03)
Treatment	-	5.04	(5.85)	(0.81)
Harm Reduction	-	0.66	(0.77)	(0.11)
Recovery	-	6.82	(7.92)	(1.10)
Total, Second Chance Act Program	\$ -	\$ 12.74	\$ (14.79)	\$ (2.05)
Project Hope Opportunity Probation with Enforcement (HOPE)				
Treatment	\$ -	\$ 0.12	\$ (0.18)	\$ (0.06)
Harm Reduction	-	0.23	(0.37)	(0.14)
Recovery	-	0.12	(0.18)	(0.06)
Total, Project Hope Opportunity Probation with Enforcement	\$ -	\$ 0.47	\$ (0.73)	\$ (0.26)

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
Byrne Criminal Justice Innovation Program				
State and Local Assistance	\$ -	\$ 2.42	\$ -	\$ 2.42
Total, Byrne Criminal Justice Innovation Program	\$ -	\$ 2.42	\$ -	\$ 2.42
Edward Byrne Memorial Justice Assistance Grant Program				
State and Local Assistance	\$ -	\$ 15.24	\$ (53.85)	\$ (38.61)
Recovery	\$ -	1.32	(4.68)	(3.36)
Total, Edward Byrne Memorial Justice Assistance Grant Program	\$ -	\$ 16.56	\$ (58.53)	\$ (41.97)
Tribal Youth Program				
Treatment	\$ -	\$ 0.18	\$ (0.36)	\$ (0.18)
Prevention	\$ -	1.33	(2.64)	(1.31)
Total, Tribal Youth Program	\$ -	\$ 1.51	\$ (3.00)	\$ (1.49)
Veterans Treatment Courts Program				
State and Local Assistance	\$ -	\$ 0.04	\$ (0.09)	\$ (0.05)
Treatment	\$ -	0.63	(1.44)	(0.81)
Harm Reduction	\$ -	0.54	(1.26)	(0.72)
Recovery	\$ -	0.81	(1.86)	(1.05)
Total, Veterans Treatment Courts Program	\$ -	\$ 2.02	\$ (4.65)	\$ (2.63)

U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)				
State and Local Assistance	\$ -	\$ 1.05	\$ (1.09)	\$ (0.04)
Treatment	\$ -	6.84	(7.12)	\$ (0.28)
Harm Reduction	\$ -	7.89	(8.23)	\$ (0.34)
Recovery	-	10.52	(10.97)	\$ (0.45)
Total, Comprehensive Opioid, Stimulant, and Substance Use Program (COSSUP)	\$ -	\$ 26.29	\$ (27.41)	\$ (1.12)
Tribal Assistance				
Treatment	\$ -	\$ 2.15	\$ (3.89)	\$ (1.74)
Recovery	\$ -	1.98	(3.59)	(1.61)
Total, Tribal Assistance	\$ -	\$ 4.13	\$ (7.48)	\$ (3.35)
Forensic Support for Opioid and Synthetic Drug Investigations				
State and Local Assistance	\$ -	\$ 1.64	\$ (4.93)	\$ (3.29)
Total, Forensic Support for Opioid and Synthetic Drug Investigations	\$ -	\$ 1.64	\$ (4.93)	\$ (3.29)

**U.S. Department of Justice
Office of Justice Programs
Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)**

Drug Resources by Budget Decision Unit and Function	Reprogrammings	Transfers-in	Transfers-out	Total
Opioid-Affected Youth Initiative				
Treatment	\$ -	\$ 0.16	\$ (0.21)	\$ (0.05)
Harm Reduction	\$ -	0.03	(0.04)	(0.01)
Recovery	\$ -	0.09	(0.12)	(0.03)
Prevention	\$ -	0.77	(1.00)	(0.23)
Total, Opioid-Affected Youth Initiative	\$ -	\$ 1.05	\$ (1.37)	\$ (0.32)
Mentoring for Youth Affected by the Opioid Crisis				
Prevention	\$ -	\$ 0.65	\$ -	\$ 0.65
Total, Mentoring for Youth Affected by the Opioid Crisis	\$ -	\$ 0.65	\$ -	\$ 0.65
Total Funding	\$ -	\$ 135.20	\$ (153.20)	\$ (18.00)
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$ -	\$ -	\$ -	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF)	\$ -	\$ -	\$ -	\$ -

^{1/} Amounts shown for Transfers In reflect a Congressionally directed \$44 million transfer from COPS to fund the Regional Information Sharing Systems and another \$0.3 million transfer from COPS to support the Tribal Assistance program.

^{2/} Transfers Out of OJP reflects a transfer of \$1.15 million to the Department of the Interior (DOI)/Bureau of Indian Affairs (BIA) to support tribes administering their CTAS awards under the 477 Program. This column also reflects administrative reprogramming actions authorized by the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4), which are sometimes referred to as Section 205 transfers. This included transfers to 9 separate accounts within DOJ to support Departmental priorities



U.S. Department of Justice

Executive Office for United States Attorneys

Resource Management and Planning Staff

Suite 6.500, 3CON Building
175 N Street, NE
Washington, DC 20530

(202) 252-5600
FAX (202) 252-5601

**Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the United States Attorneys' management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the United States Attorneys' system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the United States Attorneys to the Department without alteration or adjustment by any official at the Department.

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Jonathan Pelletier
Acting Deputy Director and Chief of Staff,
Chief Financial Officer

Date

Department of Justice - UNITED STATES ATTORNEYS

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
Criminal Decision Unit			
<i>Prosecution</i>	\$126.762	\$296.172	
Total Drug Funding			
Drug Resources Personnel Summary			
Total FTEs (direct only)	495	1,306	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$2.6	\$2.8	
Drug Resources Percentage	4.9%	10.7%	



U.S. Department of Justice

Executive Office for United States Attorneys

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Suite 6.500, 3 CON Building
175 N Street, NE
Washington, DC 20530

(202) 252-5600
FAX (202) 252-5601

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the United States Attorneys management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, we assert that the United States Attorneys' system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the United States Attorneys accounting system of record for these Budget Decision Units.
2. The drug methodology used by the United States Attorneys to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in the Detailed Accounting Report is the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision during FY 2025 for reprogrammings or transfers, affecting drug-related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. The United States Attorneys did not have any ONDCP Fund Control Notices issued in FY 2025.

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Date: 2026.01.27 16:11:56 -05'00'

1/27/26

Jonathan Pelletier
Acting Deputy Director and Chief of Staff,
Chief Financial Officer

Date

U.S. Department of Justice
United States Attorneys
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

	FY 2025 Actual Obligations
Drug Resources by Budget Decision Unit and Function:	
Decision Unit #1: Criminal	
Prosecution	\$ 110.28
Total Criminal	\$ 110.28
Total Obligations	\$ 110.28
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.61
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ 169.41
* Report all decision units listed in the most recent National Drug Control Strategy Budget Summary	

**U.S. Department of Justice
United States Attorneys
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

Disclosure 1: Drug Methodology

The United States Attorneys work in conjunction with law enforcement to disrupt domestic and international drug trafficking and narcotics production through comprehensive investigations and prosecutions of criminal organizations. A core mission of each of the United States Attorneys' offices (USAOs) is to prosecute violations of Federal drug trafficking, controlled substance, money laundering, and related Federal laws in order to deter continued illicit drug distribution and use in the United States. This mission includes utilizing the grand jury process to investigate and uncover criminal conduct and subsequently presenting the evidence in court as part of prosecution of individuals and organizations who violate Federal law. The USAOs also work to dismantle criminal drug organizations through asset forfeiture, thereby depriving drug traffickers of the proceeds of illegal activities.

In addition to this traditional prosecutorial role, efforts to discourage illegal drug use and to prevent recidivism by convicted drug offenders also form important parts of the USAO's drug control mission. Each USAO is encouraged to become involved in reentry programs that may help prevent future crime, including drug crimes. Reentry programs, such as reentry courts, typically include access to drug treatment and support for recovery. Prosecutors and USAO staff also participate in community outreach through initiatives that educate communities about the hazards of drug abuse.

The United States Attorneys community does not receive a specific appropriation for drug-related work in support of the National Drug Control Strategy. The United States Attorneys drug resources are part of, and included within, the United States Attorneys Annual Salaries and Expenses (S&E) Appropriation. As a result of not having a specific line item for drug resources within our appropriation, the United States Attorneys have developed a drug budget methodology based on workload data. The number of work years dedicated to non-OCDETF drug related prosecutions is taken as a percentage of total workload. This percentage is then multiplied against total obligations to derive estimated drug related obligations.

Data – In FY 2025, all financial information for the United States Attorneys was derived from Department of Justice's (DOJ's) Unified Financial Management System (UFMS). Workload information was derived from the United States Attorneys' USA-5 Reporting System.

Financial Systems –UFMS is DOJ's financial system. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications were made to the drug methodology from prior years.

Disclosure 3: Material Weaknesses or Other Findings

The United States Attorneys community is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2025, the OBDs were included in the DOJ consolidated audit and did not receive a separate financial statement audit. The fiscal year 2025 audit resulted in an unmodified opinion on the financial statements. The DOJ's consolidated FY 2025 Independent Auditor's Report revealed no material weaknesses or significant deficiencies directed to the USAOs. Additionally, the Department's assessment of risk and internal control in FY 2025 conducted in accordance with OMB Circular A-123 did not identify any findings which may materially affect the presentation of prior year drug-related obligations data.

Disclosure 4: Reprogrammings or Transfers

There was no drug related reprogrammings or transfers that affected drug-related budgetary resources in FY 2025.



Review of the United States Marshals Service's Accounting of Drug Control Funding Fiscal Year 2025



AUDIT DIVISION

26-020

FEBRUARY 2026

REDACTED FOR PUBLIC RELEASE

Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.



EXECUTIVE SUMMARY

Review of the United States Marshals Service's Accounting of Drug Control Funding Fiscal Year 2025

Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice United States Marshals Service (USMS) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to USMS management's submission to the ONDCP.

Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2025, in order for it to be in accordance with the Circular.

Recommendations

No recommendations were provided in this report

Results

The OIG performed an attestation review of the USMS's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2025. The detailed accounting includes the Budget Formulation Compliance Report (BFCR), Detailed Accounting Report (DAR), and related assertions by USMS management. The USMS reported approximately \$957.48 million of drug control obligations for fiscal year 2025.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the requirements set forth in the Circular. We concluded that we are not aware of any such material modifications. The previous OIG authentication of USMS's submission to ONDCP was for fiscal year 2023, and the OIG concluded that no material modifications were needed to USMS's submission to the ONDCP (OIG Audit Division Report Number 24-028).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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Management's Assertion Statement	4
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OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Director
United States Marshals Service

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) and Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) United States Marshals Service (USMS) for the fiscal year ended September 30, 2025. USMS management is responsible for the preparation of the BFCR and DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the BFCR, DAR, and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the BFCR, DAR, or related assertions for the year ended September 30, 2025, in order for them to be in accordance with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR and DAR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DOJ, USMS, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

A handwritten signature in black ink, reading "Kelly A. McFadden", is positioned above the printed name.

Kelly A. McFadden, CPA
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice
Washington, D.C.
January 26, 2026



U.S. Department of Justice

United States Marshals Service

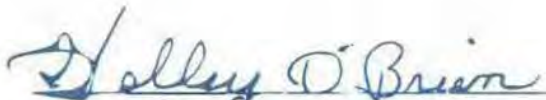
Office of the Chief Financial Officer

Washington, DC 20530-0001

**Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the U.S. Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the USMS' system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the USMS to the Department without alteration or adjustment by any official at the Department.


Holley O'Brien, Chief Financial Officer


Date

Department of Justice - U.S. Marshals Service

Dollars in Millions - TOTAL DRUG RESOURCES

Resource Summary	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Spring Call
Drug Resources by Decision Unit and Function			
Salaries and Expenses			
<i>Decision Unit: Fugitive Apprehension</i>			
International	\$1.624	\$1.672	
Investigative	\$160.816	\$165.555	
Total, Fugitive Apprehension	\$162.440	\$167.227	
<i>Decision Unit: Judicial and Courthouse Security</i>			
Prosecutions	\$138.337	\$139.757	
Total, Judicial and Courthouse Security	\$138.337	\$139.757	
<i>Decision Unit: Prisoner Security and Transportation</i>			
Prosecutions	\$58.113	\$58.802	
Total, Prisoner Security and Transportation	\$58.113	\$58.802	
<i>Decision Unit: Tactical Operations</i>			
Harm Reduction	\$0.006	\$0.006	
Total, Tactical Operations	\$0.006	\$0.006	
Federal Prisoner Detention			
<i>Decision Unit: Detention Services</i>			
Corrections	\$648.622	\$701.688	
Total, Detention Services	\$648.622	\$701.688	
Total Drug Funding	\$1,007.518	\$1,067.480	
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,126	1,129	
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$3.9	\$4.3	
Drug Resources Percentage	25.6%	25.1%	



U.S. Department of Justice

United States Marshals Service

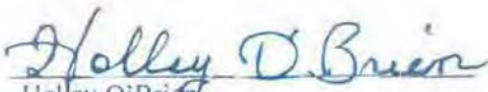
Office of the Chief Financial Officer

Washington, DC 20530-0001

**Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025**

On the basis of the U.S. Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the USMS system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the USMS' accounting system of record for these Budget Decision Units.
2. The drug methodology used by the USMS to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in the Detailed Accounting Report is the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that was revised during the fiscal year (FY) 2025 to properly reflect the changes, including ONDCP's approval of all reprogrammings or transfers affecting drug-related resources that individually or in aggregate exceed \$5 million or 10 percent of a specific program or account included in the National Drug Control Budget.
7. The USMS did not have any ONDCP Fund Control Notices issued in FY 2025.


Holley O'Brien
Chief Financial Officer


Date

U.S. Department of Justice
U.S. Marshals Service
Detailed Accounting Report
Table of Drug Control Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	FY 2025 Obligations
Decision Unit #1: Fugitive Apprehension	
International	\$ 1.56
Investigations	154.17
Total Fugitive Apprehension	\$ 155.73
Decision Unit #2: Judicial and Courthouse Security	
Prosecutions	\$ 111.38
Total Judicial and Courthouse Security	\$ 111.38
Decision Unit #3: Prisoner Security and Transportation	
Prosecutions	\$ 46.36
Total Prisoner Security and Transportation	\$ 46.36
Decision Unit #4: Tactical Operations	
Harm Reductions	\$ 0.01
Total Tactical Operations	\$ 0.01
Decision Unit #5: Detention	
Corrections	\$ 644.00
Total Detention	\$ 644.00
Total Obligations	\$ 957.48
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.92
Organized Crime Drug Enforcement Task Force (OCDETF) Obligations	\$ 10.56

**U.S. Department of Justice
U.S. Marshals Service
Detailed Accounting Report
Related Disclosures
For Fiscal Year Ended September 30, 2025**

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 of its 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, and Prisoner Security and Transportation, are calculated using drug-related workload ratios applied to the Salaries and Expenses (S&E) appropriation.

A fourth decision unit, Tactical Operations, utilizes a projected annual cost for Naloxone (also known as Narcan) as part of the Operation Medical Support Unit (OMSU). The OMSU issues naloxone kits to its medically trained Deputy/Medic workforce as part of its routine medication issuance. Districts are also authorized to purchase Naloxone kits individually for Deputy U.S. Marshals (DUSMs) to keep on hand in the field. The total actual cost is applied to the drug resources under Tactical Operations.

For the Fugitive Apprehension decision unit, the USMS uses drug-related workload ratios based on the number of all warrants cleared, including felony offense classifications for Federal, state, and local warrants such as narcotics possession, manufacturing, and distribution. To calculate the drug-related workload percentage for this decision unit, the USMS divides the number of drug-related warrants cleared by the total number of warrants cleared. For the Judicial and Courthouse Security, and 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 percentages for these two decision units, the USMS divides the number of drug-related offenses in custody by the total number of offenses in custody. The USMS derives its drug related obligations for these three decision units starting with the USMS S&E appropriation actual obligations at fiscal year-end as reported in the Standard Form-133, Report on Budget Execution and Budgetary Resources. The previously discussed drug workload ratios by decision unit are then applied to the total S&E annual appropriation to derive the drug-related obligations.

Detention Services obligations are funded through the Federal Prisoner Detention (FPD) Appropriation. The USMS is responsible for Federal detention services relating to the housing and care of Federal detainees remanded to USMS custody, including detainees booked for drug offenses. The FPD appropriation funds the housing, transportation, medical care, and medical guard services for the detainees. Resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to the Federal Bureau of Prisons. The FPD appropriation does not include specific resources dedicated

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For Fiscal Year Ended September 30, 2025**

to the housing and care of the drug prisoner population. Therefore, for the Detention Services decision unit, the methodology used to determine the cost associated with the drug prisoner population is to multiply the ADP for drug offenses by the per diem rate (housing cost per day), which is then multiplied by the number of days in the year.

Data – All accounting information for the USMS, to include S&E and FPD appropriations, is derived from the USMS Unified Financial Management System (UFMS). The population counts and the daily rates paid for each detention facility housing USMS prisoners are maintained by the USMS Capture operational information and case management system. The data describe the actual price charged by state, local, and private detention facility operators and is updated on an as needed, case-by-case basis when rate changes are implemented. In conjunction with daily reports of prisoners housed, a report is compiled describing the price paid for non-Federal detention space on a weekly and monthly basis. Data are reported on both district and national levels. The daily population counts and corresponding per diem rate data capture actuals for the detention population count and for the expenditures to house the population.

The drug-related statistical data are also queried from the USMS Capture operational information and case management system. System administrators perform a variety of checks and updates to ensure that accurate information is contained. The information on offenses and warrants is live, so information queried for year-end reporting is a snapshot-in-time. Due to continuous user activity in Capture, the statistics in this report cannot be exactly replicated. The data in Capture is dynamic, and the statistics are only current as of the date and time the report was compiled. ¹

Financial Systems – UFMS and the USMS' Financial Data Allocation Platform (FDAP) are the financial systems that provides the USMS with obligation data. UFMS is the primary financial system and FDAP is a reporting tool of the financial data recorded in UFMS. Obligations in these systems can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications, all methods are the same as FY 2024.

Disclosure 3: Material Weaknesses or Other Findings

For FY 2025, the USMS was included in the DOJ consolidated financial statements audit and did not receive a separate financial statements audit opinion. The DOJ's consolidated FY 2025 Independent Auditors' Report, which was performed in Accordance with *Government Auditing Standards*, revealed no material weaknesses, significant deficiencies, or other findings for the USMS. Additionally, the Department's review of the USMS internal controls as well as program activity for FY 2025 conducted in accordance with OMB Circular A- 123 did not identify any findings that adversely affected the functioning of existing controls, or the integrity of the data used in published financial reports.

¹ Capture data reports were generated in November 2025.

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Disclosure 4: Reprogrammings or Transfers

In FY 2025 the USMS S&E appropriation reprogrammed funds to the Judicial and Courthouse Security and Tactical Operations decision units of \$3.2 million and \$2.7 million respectively. The funding came from the Fugitive Apprehension, Prisoner Security and Transportation, and Protection of Witnesses decision units of \$3.1 million, \$0.9 million and \$1.9 million, respectively. The reprogramming of \$2.7 million to the Tactical Operations decision unit is included under the Detailed Accounting Report “Table of Reprogrammings or Transfers,” but does not apply to the Harm Reduction function. The USMS uses drug-related workload ratios in specific decision units and applies them to the actual obligations. When reviewing the changes to the drug budget due to the reprogramming, the overall impact to the USMS drug budget was minimal, decreasing the drug resources by approximately \$0.75 million. Total reprogrammings was below the reporting threshold of \$5 million.

The USMS FPD appropriation transferred \$22.0 million to the USMS S&E Detention Operations decision unit. Due to the methodology for calculating drug resources for FPD, these transfers did not impact the drug budget.

Disclosure 5: Other Disclosures

None.

U.S. Department of Justice
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Detailed Accounting Report
Table of Reprogrammings or Transfers
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)

Drug Resources by Budget Decision Unit and Function:	Reprogrammings	Transfers-in	Transfers-out	Total
Decision Unit #1: Fugitive Apprehension				
Investigations	\$ (3.10)	\$ -	\$ -	\$ (3.10)
Total Fugitive Apprehension	\$ (3.10)	\$ -	\$ -	\$ (3.10)
Decision Unit #2: Judicial and Courthouse Security				
Prosecutions	\$ 3.20	\$ -	\$ -	\$ 3.20
Total Judicial and Courthouse Security	\$ 3.20	\$ -	\$ -	\$ 3.20
Decision Unit #3: Prisoner Security and Transportation				
Prosecutions	\$ (0.85)	\$ -	\$ -	\$ (0.85)
Total Prisoner Security and Transportation	\$ (0.85)	\$ -	\$ -	\$ (0.85)
Decision Unit #4: Tactical Operations				
	\$ 2.70	\$ -	\$ -	\$ 2.70
Total Tactical Operations	\$ 2.70	\$ -	\$ -	\$ 2.70
Decision Unit #5: Detention				
Corrections	\$ -	\$ -	\$ (22.00)	\$ (22.00)
Total Detention	\$ -	\$ -	\$ (22.00)	\$ (22.00)
Total	\$ 1.95	\$ -	\$ (22.00)	\$ (20.05)
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$ -	\$ 1.12	\$ -	\$ 1.12

U.S. Department of Labor

**Office of the Assistant Secretary
for Administration and Management
Washington, D.C. 20210**



March 17, 2026

Mr. Jon Rice
Assistant Director
Office of Performance and Budget
Office of National Drug Control Policy
Executive Office of the President
Washington, D.C. 20503

Mr. Rice:

Please find attached the Department of Labor's (DOL) FY 2025 Compliance Reports (Report), consisting of the Detailed Accounting Report. In accordance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews* (Compliance Review Circular), issued September 9, 2021, DOL affirms the assertions identified below are fairly presented in all material respects with the ONDCP established criteria.

Statements in this document are assertions to the effect of what is required by the Circular.

This report includes a section for each DOL bureau that has National Drug Control Program activities. Each section of the report provides the following to address Compliance Review Circular requirements:

1. Detailed accounting report with assertions on:
 - a. Obligations
 - b. Drug methodology
 - c. Methodology modifications
 - d. Material weaknesses or other findings
 - e. Reprogrammings or transfers
 - f. Other disclosures
2. Inspector General Authentication

Sincerely,

Emily Page
Director, Departmental Budget Center



Employment and Training Administration

Detailed Accounting Report Assertions

Obligation Data

- DOL affirms that the data and information presented on prior year obligations has been reported accurately.
- DOL affirms obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record, which is the New Core Financial Management System for these Budget Decision Units, or are consistent with the application of the approved methodology, as required by the Budget Formulation Circular (Section 7).

Drug Methodology

- Data: DOL affirms that the methodology is based on reliable data and the reasonableness and accuracy of the drug methodology used to calculate obligations of prior year budgetary resources by decision unit and by function.
- Financial Systems – DOL affirms that the methodology describes the relationship of decision units reported to ONDCP and the programs/activities as reported in the financial system. Application of the methodology to obligations data reported in the financial system yields data that fairly present, in all material respects, aggregate obligations presented in the Table of Prior Year Obligations.

Application of Drug Methodology

- DOL affirms that the drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1)

Material Weaknesses

- DOL affirms that all material weaknesses or other findings by independent sources, or other known weaknesses, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

Methodology Modifications

- DOL affirms that any modifications made to methodology for reporting drug control resources from the previous year's reporting are disclosed and, if a modification is reported, whether the modification was approved by ONDCP.

Reprogrammings and Transfers

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



Fund Control Notices

- DOL affirms that the data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director of National Drug Control Policy under 21 U.S.C. § 1703(f) and Section 9 of the *ONDCP Circular: Budget Execution*.

Inspector General Authentication Exemption

As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.



Employment Benefits Security Administration

Detailed Accounting Report Assertions

Obligation Data

- DOL affirms that the data and information presented on prior year obligations has been reported accurately.
- DOL affirms obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record, which is the New Core Financial Management System for these Budget Decision Units, or are consistent with the application of the approved methodology, as required by the Budget Formulation Circular (Section 7).

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Inspector General Authentication Exemption

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Office of Inspector General

Detailed Accounting Report Assertions

Obligation Data

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Drug Methodology

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Fund Control Notices

- DOL affirms that the data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director of National Drug Control Policy under 21 U.S.C. § 1703(f) and Section 9 of the *ONDCP Circular: Budget Execution*.

Inspector General Authentication Exemption

As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.



Office of Workers' Compensation Programs

Detailed Accounting Report Assertions

Obligation Data

- DOL affirms that the data and information presented on prior year obligations has been reported accurately.
- DOL affirms obligations reported by budget decision unit are the actual obligations derived from the bureau's accounting system of record, which is the New Core Financial Management System for these Budget Decision Units, or are consistent with the application of the approved methodology, as required by the Budget Formulation Circular (Section 7).

Drug Methodology

- Data: DOL affirms that the methodology is based on reliable data and the reasonableness and accuracy of the drug methodology used to calculate obligations of prior year budgetary resources by decision unit and by function.
- Financial Systems – DOL affirms that the methodology describes the relationship of decision units reported to ONDCP and the programs/activities as reported in the financial system. Application of the methodology to obligations data reported in the financial system yields data that fairly present, in all material respects, aggregate obligations presented in the Table of Prior Year Obligations.

Application of Drug Methodology

- DOL affirms that the drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1)

Material Weaknesses

- DOL affirms that all material weaknesses or other findings by independent sources, or other known weaknesses, which may affect the presentation of prior year drug-related obligations as required by Section 7.a.(4) have been disclosed.

Methodology Modifications

- DOL affirms that any modifications made to methodology for reporting drug control resources from the previous year's reporting are disclosed and, if a modification is reported, whether the modification was approved by ONDCP.

Reprogrammings and Transfers

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



Fund Control Notices

- DOL affirms that the data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the Director of National Drug Control Policy under 21 U.S.C. § 1703(f) and Section 9 of the *ONDCP Circular: Budget Execution*.

Inspector General Authentication Exemption

As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.

DEPARTMENT OF LABOR
Employment and Training Administration
Training and Employment Services
Detailed Accounting Report

Budget Authority (in Millions)		
Resource Summary	FY 2025 Enacted BA	FY 2025 Obligations
Drug Resources by Function		
Treatment and Recovery	\$6.427	\$6.427
Drug Resources by Decision Unit		
Adult Employment and Training Activities	\$0	\$0
Dislocated Worker Employment and Training Activities	\$6.427	\$6.427
Youth Activities	\$0	\$0
Reintegration of Ex-Offenders	\$0	\$0
Native Americans	\$0	\$0
Migrant and Seasonal Farmworkers	\$0	\$0
H-1B Job Training Grants	\$0	\$0
Data Quality Initiative	\$0	\$0
Apprenticeship Grants	\$0	\$0
Drug Resources Personnel Summary		
Total FTEs (direct only)	0	0

The HHS declaration of opioid abuse as a national health emergency permits the Department to award Disaster Recovery Dislocated Worker grants. This appropriation may be used for these grants until HHS's health emergency declaration expires. Because no funding is appropriated specifically for the National Health Emergency Grants, the funding amount in the "Enacted BA" column is equal to the final obligations.

MISSION

National Dislocated Worker Grants (DWGs), formerly known as National Emergency Grants, are discretionary grants awarded by the Secretary of Labor, under Section 170 of the Workforce Innovation and Opportunity Act (WIOA). This funding is intended to temporarily expand capacity to serve dislocated workers, including military service members, and meet the increased demand for WIOA employment and training services, with a purpose to reemploy laid off workers and enhance their employability and earnings. Disaster DWGs provide funding to create temporary employment opportunities to assist with recovery efforts when an area is declared eligible for public assistance by a federal agency with authority or jurisdiction over Federal response to the emergency or disaster. The Department of Health and Human Services' declaration of opioid abuse as a national health emergency permits the Department of Labor to award Disaster Recovery Dislocated Worker grants. This appropriation may be used for these grants until HHS's health emergency declaration expires.

DRUG METHODOLOGY

The National Reserve operates on a program year (PY), and funds appropriated to this account in FY 2025 are available for federal obligation from July 1, 2025 through September 30, 2026. The total amount of money that will be utilized for the opioid crisis DWGs will depend on the number of states that provide qualified applications and the availability of funds. Because Program Year 2025 is still in progress, the Department cannot provide an accurate estimate of how much money will be awarded with the FY 2025 appropriation. As of December 31, 2025, the Department has not awarded any PY 2025 opioid-related DWGs funded from ETA's FY 2025 appropriation. During FY 2025, ETA awarded \$6.427 million in opioid-related DWGs from ETA's FY 2024 appropriation. In total, Congress appropriated \$300.9 million that can be used for the National Dislocated Worker Grants and other authorized purposes in PY 2025.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Employment and Training Administration
Office of Job Corps
Detailed Accounting Report

Budget Authority (in Millions)		
Resource Summary	FY 2025 Enacted BA	FY 2025 Final Obligations
Drug Resources by Function		
Prevention	\$6.000	\$6.000
Drug Resources by Decision Unit		
Operations	\$6.000	\$6.000
Construction, Rehabilitation, and Acquisition (CRA)	\$0	\$0
Administration	\$0	\$0
Drug Resources Personnel Summary		
Total FTEs (direct only)	0	0

MISSION

The Job Corps program is administered by the Department of Labor's Employment and Training Administration (ETA). Established in 1964, the Job Corps program is a comprehensive, primarily residential, academic and career technical training program for opportunity youth, ages 16-24. Currently there are 123 Job Corps centers across all 50 states, Puerto Rico, and the District of Columbia. These centers collectively serve around 30,000 opportunity youth annually. The mission is to equip Job Corps students with essential skills by combining academic and career technical training, offering comprehensive personal and career counseling, and ultimately providing support for job placement. A component of the Job Corps program that teaches life skills is the Trainee Employment Assistance Program (TEAP). TEAP also incorporates elements focused on drug prevention and education, specifically tailored to enhance job preparation for participants in the Job Corps program. Job Corps' zero tolerance policy emphasizes a commitment to a drug-free environment. Job Corps cultivates a healthy learning environment for all students to thrive in their educational pursuits.

Job Corps requires all centers to supply Narcan (naloxone) on center and to train staff and students on opioid risks, overdose recognition, and response. OJC continues to expand Job Corps' Youth 2 Youth (Y2Y) initiative to include substance misuse prevention clubs where students lead awareness campaigns, host prevention events, and normalize healthy lifestyles.

The Jobs Corps program operates on a program year (PY) basis – as opposed to a fiscal year (FY) basis. Funds appropriated for Program Year 2025 are available for obligation from July 1, 2025 through June 30, 2026.

DRUG METHODOLOGY

The Office of Job Corps' expenditures for the TEAP program are for health specialists to prepare Job Corps program participants for employment, including: education on the implications of alcohol, drug and tobacco use; substance misuse and prevention awareness activities; development of programs to prevent alcohol, drug and tobacco use and abuse among the student population; development and coordination of community resources to educate students on substance misuse ; and identification of and provision of counseling services to students with substance misuse problems and arrangement of appropriate treatment. In addition, the budget includes the full cost of drug testing each individual student upon entry.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

In the Office of the Inspector General's Report No. 03-25-001-03-370, the OIG made the following recommendations:

1. Examine existing Job Corps data regarding its drug control activities to identify appropriate data that aligns with the President's Strategy and the Office of National Drug Control Policy's reporting timelines and identify or develop appropriate and relevant performance measures that demonstrate the effectiveness of its drug control activities as they relate to the President's Strategy.
2. Coordinate with the Office of the Assistant Secretary for Administration and Management and the Office of National Drug Control Policy to establish reporting timelines for any performance measures that cannot be submitted before the Office of National Drug Control Policy's reporting deadline.
3. Establish targets for all performance measures reported by Job Corps in the National Drug Control Assessment.

ETA Response:

1. ETA agrees with this recommendation. For Fiscal Year (FY) 2025 and beyond, Job Corps, in consultation with the Departmental Budget Center (DBC), has identified existing data and performance measures that satisfy Job Corps' reporting requirements and submitted those to ONDCP. The Administrator for the Office of Job Corps is responsible for the implementation of this recommendation.
2. ETA agrees with this recommendation. ETA, in consultation with DBC, has eliminated reporting on measures specifically for the ONDCP report that would cause significant

delays in Job Corps' submission. ETA will continue to work closely with the DBC to transmit information to ONDCP to ensure all future submissions meet required deadlines and quality standards. The Administrator for the Office of Job Corps is responsible for the implementation of this recommendation.

3. ETA agrees with this recommendation and will establish performance targets for all reporting metrics that Job Corps identified in response to Recommendation 1. Setting clear, measurable targets is essential for assessing the program's effectiveness and its contributions to the National Drug Control Strategy. For FY 2025 and beyond, Job Corps, in consultation with DBC, has identified existing data and performance measures that satisfy Job Corps' reporting requirements and submitted those to ONDCP. The Administrator for the Office of Job Corps is responsible for the implementation of this recommendation.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Office of Workers' Compensation Programs
Special Benefits
Detailed Accounting Report

Budget Authority (in Millions)		
Resource Summary	FY 2025 Enacted BA	FY 2025 Final Obligations
Drug Resources by Function Prevention	\$1.453	\$1.453
Drug Resources by Decision Unit Federal programs for workers' compensation	\$1.453	\$1.453
Drug Resources Personnel Summary Total FTEs (direct only)	5	5

MISSION

DOL's Office of Workers' Compensation Programs (OWCP) administers the Federal Employees' Compensation Act (FECA) program which provides wage-loss compensation, payment for medical treatment (including opioids), return-to-work assistance, and vocational rehabilitation for federal civilian employees and postal workers who are injured or ill because of their work, and compensation to eligible survivors in case of death. Opioids have been linked to longer durations of disability, losses in work productivity, and more costly workers' compensation claims. This has led the FECA program to institute payment controls to mitigate the risk of inappropriate opioid utilization.

DRUG METHODOLOGY

OWCP used FY 2025 activities/costs to calculate the approximate funding directed towards improving the safety and quality of care as it relates to prescription drugs. This includes the cost of estimated time spent by federal personnel from the Program Integrity, Prescription Management, and Fraud Prevention Branch; the Information Technology Branch; and the OWCP's Division of Administrative Operations. This also includes contract costs of estimated time spent on medical/pharmaceutical data analysis and the cost of procured datasets. The methodology tracks costs by OWCP federal FTE that are associated with drug control activities and by contracts that are associated with the OWCP's drug control activities. The FTE figure only shows effort expended by OWCP federal staff.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Office of Inspector General
Detailed Accounting Report

Budget Authority (in Millions)		
Resource Summary	FY 2025 Enacted BA	FY 2025 Final Obligations
Drug Resources by Function Investigations	\$1.800	\$1.800
Drug Resources by Decision Unit		
Program and Trust Funds	\$1.800	\$1.800
OIG American Rescue Plan	\$0	\$0
CARES Act	\$0	\$0
Drug Resources Personnel Summary		
Total FTEs (direct only)	9	9

MISSION

The Office of Inspector General (OIG) has dedicated significant audit and investigative resources over the years to improve the FECA program because of its significant cost to taxpayers and impact on injured Federal workers and their dependents. In particular, the FECA program, along with other Federal government workers' compensation programs, is highly susceptible to abuse and fraud due to risks associated with prescription drugs. Previous OIG work has highlighted the high reimbursement costs of compounded drug medications and safety concerns with overprescribing opioids. In addition, the OIG continues to initiate criminal investigations relating to fraudulent activity involving opioids in the FECA program.

DRUG METHODOLOGY

The OIG will continue work with the Office of Workers' Compensation Programs (OWCP) to identify and investigate the most egregious health care providers who attempt to defraud the OWCP program and, in particular, those relating to the fraudulent activity involving opioids in the FECA program.

The OIG will also continue working with OWCP and other OIGs facing similar problems with compounded drug medications and opioids in an effort to identify best practices and programmatic changes that reduce susceptibility to fraud. In addition, the OIG's focus on using data analytics will increase the ability of the OIG to identify new and changing trends in criminal activity more quickly and end fraud sooner, thus saving taxpayer funds.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

DEPARTMENT OF LABOR
Employee Benefits Security Administration
Detailed Accounting Report

Budget Authority (in Millions)		
Resource Summary	FY 2025 Enacted BA	FY 2025 Final Obligations
Drug Resources by Function	\$4.200	\$0.019
Building a Recovery Ready Nation		
Drug Resources by Decision Unit		
Enforcement and participant assistance	\$4.200	\$0.019
Policy and compliance assistance	\$0	\$0
Executive leadership, program oversight and administration	\$0	\$0
Drug Resources Personnel Summary		
Total FTEs (direct only)	0	0

MISSION

EBSA's mission is to ensure the security of the retirement, health, and other workplace-related benefits of American workers and their families. EBSA accomplishes this mission by developing effective regulations and guidance; assisting and educating workers, employers, plan sponsors, fiduciaries, and service providers; and vigorously ¹ the law. EBSA is a small agency responsible for protecting more than 155 million workers, retirees and their families who are covered by the benefit plans EBSA oversees. The agency's portfolio covers approximately 837,000 private retirement plans holding an estimated \$15.2 trillion in assets and approximately 2.8 million health plans and 521,000 other welfare plans. Employment-based benefit plans are vital to the financial security and physical well-being of millions of people. EBSA carries out its mission in a complex and evolving economic and regulatory environment. Through its enforcement activities under the Mental Health Parity and Addiction Equity Act (MHPAEA), the agency works on removing impermissible barriers to substance use disorder (SUD) treatment and ensuring all participants have access to SUD treatments in accordance with the law.

DRUG METHODOLOGY

The annual budget request for the EBSA does not include resources dedicated to initiatives related to the Office of National Drug Control Policy (ONDCP). In FY 2025, EBSA received \$19.590 million in supplemental funding (details not provided in the table above) from the No Surprises Act. This funding aims to enhance enforcement efforts regarding mental health and

¹ Plan counts and asset figures current as of January 15, 2026

SUD parity as well as to strengthen audits of the comparative analyses of non-quantitative treatment limitations (NQTLs) by plans and issuers, in accordance with the FY 2021 Consolidated Appropriations Act (CAA) P.L. 116-260.

Originally, EBSA estimated \$4.2 million for SUD-related efforts, using a methodology that calculated these initiatives as a percentage of overall NQTL efforts. However, in FY 2025, only nine actual NQTLs relevant to SUDs were identified, leading to final obligations that were merely a fraction of the available supplemental funding. Specifically, among the nine NQTLs, only a small portion pertained to Medication-Assisted Treatment (MAT) for opioid and substance use disorders, which required approximately 3,000 hours of investigative work.

As a result, EBSA adjusted its FY 2025 expenditures to reflect the investigative labor hours associated with MAT, resulting in a total expenditure of only \$19,388 for personal compensation and benefits. This amount specifically corresponds to efforts addressing NQTLs with MAT exclusions, which were directly linked to the agency's work on substance use disorders.

METHODOLOGY MODIFICATIONS

The Department has no information to report for this section.

MATERIAL WEAKNESSES OR OTHER FINDINGS

The Department has no information to report for this section.

REPROGRAMMINGS OR TRANSFERS

The Department has no information to report for this section.

OTHER DISCLOSURES

The Department has no information to report for this section.

U.S. Department of Labor

**Office of the Assistant Secretary
for Administration and Management
Washington, D.C. 20210**



March 17, 2026

Mr. Jon Rice
Assistant Director
Office of Performance and Budget
Office of National Drug Control Policy
Executive Office of the President
Washington, D.C. 20503

Mr. Rice:

Please find attached the Department of Labor's (DOL) FY 2025 Compliance Reports (Report), consisting of the Budget Formulation Compliance Report. In accordance with the *ONDCP Circular: National Drug Control Program Agency Compliance Reviews* (Compliance Review Circular), issued September 9, 2021, DOL affirms the assertions identified below are fairly presented in all material respects with the ONDCP established criteria.

Statements in this document are assertions to the effect of what is required by the Circular.

This report includes a section for each DOL bureau that has National Drug Control Program activities. Each section of the report provides the following to address Compliance Review Circular requirements:

1. Budget Formulation Compliance Report with assertions on:
 - a. Timeliness of summer budget submission
 - b. Funding levels to represent bureau-level request
2. Inspector General Authentication

Sincerely,

Emily Page
Director, Departmental Budget Center



Employment and Training Administration

Budget Formulation Compliance Report Assertions

DOL affirms that the FY 2027 Summer Drug Budget (Budget) was submitted to ONDCP on August 1, 2025. DOL's agency head received FY 2027 budget materials after this date.

Per Section 9.a.(1) of ONDCP Circular: Budget Formulation (issued September 9, 2021, referred to as Budget Formulation Circular), DOL provided summer budget information on August 28, 2025. The FY 2027 Summer Budget Formulation process was completed during the prior Administration.

DOL affirms that the funding request transmitted to ONDCP in the submission represented the funding levels made by the bureau to the Department without alteration or adjustment by any official at the Department, as required by Section 9.a(2) of the Budget Formulation Circular.

As required by Section 6.a(2) of the Compliance Review Circular, the tables are provided again as Attachment 2 to this response. DOL notes that the spend plans and budget requests outlined in that Attachment should not be made public as the current Administration did not review these proposals, and they may not reflect the plans of the current Administration.

Inspector General Authentication Exemption

As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.



Employment Benefits Security Administration

Budget Formulation Compliance Report Assertions

DOL affirms that the FY 2027 Summer Drug Budget (Budget) was submitted to ONDCP on August 1, 2025. DOL's agency head received FY 2027 budget materials after this date.

Per Section 9.a.(1) of ONDCP Circular: Budget Formulation (issued September 9, 2021, referred to as Budget Formulation Circular), DOL provided summer budget information on August 28, 2025. The FY 2027 Summer Budget Formulation process was completed during the prior Administration.

DOL affirms that the funding request transmitted to ONDCP in the submission represented the funding levels made by the bureau to the Department without alteration or adjustment by any official at the Department, as required by Section 9.a(2) of the Budget Formulation Circular.

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As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.



Office of Inspector General

Budget Formulation Compliance Report Assertions

DOL affirms that the FY 2027 Summer Drug Budget (Budget) was submitted to ONDCP on August 1, 2025. DOL's agency head received FY 2027 budget materials after this date.

Per Section 9.a.(1) of ONDCP Circular: Budget Formulation (issued September 9, 2021, referred to as Budget Formulation Circular), DOL provided summer budget information on August 28, 2025. The FY 2027 Summer Budget Formulation process was completed during the prior Administration.

DOL affirms that the funding request transmitted to ONDCP in the submission represented the funding levels made by the bureau to the Department without alteration or adjustment by any official at the Department, as required by Section 9.a(2) of the Budget Formulation Circular.

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Inspector General Authentication Exemption

As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.



Office of Workers' Compensation Programs

Budget Formulation Compliance Report Assertions

DOL affirms that the FY 2027 Summer Drug Budget (Budget) was submitted to ONDCP on August 1, 2025. DOL's agency head received FY 2027 budget materials after this date.

Per Section 9.a.(1) of ONDCP Circular: Budget Formulation (issued September 9, 2021, referred to as Budget Formulation Circular), DOL provided summer budget information on August 28, 2025. The FY 2027 Summer Budget Formulation process was completed during the prior Administration.

DOL affirms that the funding request transmitted to ONDCP in the submission represented the funding levels made by the bureau to the Department without alteration or adjustment by any official at the Department, as required by Section 9.a(2) of the Budget Formulation Circular.

As required by Section 6.a(2) of the Compliance Review Circular, the tables are provided again as Attachment 2 to this response. DOL notes that the spend plans and budget requests outlined in that Attachment should not be made public as the current Administration did not review these proposals, and they may not reflect the plans of the current Administration.

Inspector General Authentication Exemption

As this bureau's FY 2025 obligations for drug-related activities fall below the threshold of \$50 million, compliance with the Inspector General Authentication requirements of Section 8 of Circular would constitute an unreasonable reporting burden. Therefore, an Inspector General attestation review does not accompany the DOL Report.

SUBJECT: Budget Formulation Compliance Report.
NATIONAL DRUG CONTROL PROGRAM AGENCY COMPLIANCE REVIEWS

6. Budget Formulation Compliance Report.

- a. **Summer Budget Formulation Information** – Each report shall include the sections described below that provide:
- (1) **Summer Drug Budget Transmittal** – The Employment and Training Administration (ETA) submitted the summer drug budget to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(1).
 - (2) **Summer Drug Budget Resource Summary Table** – Attachment 2 is a copy of the funding table submitted to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(2).

Employment and Training Administration			
Consolidated			
Resource Summary			
	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request
Drug Resources by Function			
Recovery	\$6.427	\$6.427	
Prevention	\$6.000	\$6.000	
Total Drug Resources by Function	\$12.427	\$12.427	
Drug Resources by Decision Unit			
Dislocated Worker Employment and Training Activities	\$6.427	\$6.427	
Job Corps Operations	\$6.000	\$6.000	
Total Drug Resources by Decision Unit	\$12.427	\$12.427	
Drug Resources as a Percent of Budget			
Total ETA Budget (in Billions)	\$5.659	\$5.742	
Drug Resources percentage	0.22%	0.22%	

6. Budget Formulation Compliance Report.

a. **Summer Budget Formulation Information** – Each report shall include the sections described below that provide:

(1) **Summer Drug Budget Transmittal** – The Employment Benefits Security Administration (EBSA) submitted the summer drug budget to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(1).

(2) **Summer Drug Budget Resource Summary Table** – Attachment 2 is a copy of the funding table submitted to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(2).

Employee Benefits Security Administration			
Resource Summary			
	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request
Drug Resources by Function			
Recovery	\$4.200	\$0.009	
Total Drug Resources by Function	\$4.200	\$0.009	
Drug Resources by Decision Unit			
Enforcement and Participant Assistance	\$4.200	\$0.009	
Total Drug Resources by Decision Unit	\$4.200	\$0.009	
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	
Drug Resources as a Percent of Budget			
Total Employee Benefits Security Administration Budget (in Billions)	\$0.211	\$0.191	
Drug Resources Percentage	1.99%	0.00%	

**Note: FY 2025 Requested amount is supplemental funding from the No Surprises Act.*

6. Budget Formulation Compliance Report.

a. **Summer Budget Formulation Information** – Each report shall include the sections described below that provide:

- (1) **Summer Drug Budget Transmittal** – The Office of Inspector General (OIG) submitted the summer drug budget to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(1).
- (2) **Summer Drug Budget Resource Summary Table** – Attachment 2 is a copy of the funding table submitted to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(2).

Office of Inspector General			
Resource Summary			
	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request
Drug Resources by Function			
Investigations	\$1.800	\$1.800	
Total Drug Resources by Function	\$1.800	\$1.800	
Drug Resources by Decision Unit			
Program and Trust Funds	\$1.800	\$1.800	
Total Drug Resources by Decision Unit	\$1.800	\$1.800	
Drug Resources Personnel Summary			
Total FTEs (direct only)	9	9	
Drug Resources as a Percent of Budget			
Total Office of Inspector General Budget (in Billions)	\$0.112	\$0.106	
Drug Resources Percentage	1.61%	1.70%	

6. Budget Formulation Compliance Report.

a. **Summer Budget Formulation Information** – Each report shall include the sections described below that provide:

- (1) **Summer Drug Budget Transmittal** – The Office of Workers' Compensation Programs (OWCP) submitted the summer drug budget to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(1).
- (2) **Summer Drug Budget Resource Summary Table** – Attachment 2 is a copy of the funding table submitted to ONDCP on August 1, 2025 under ONDCP Circular: Budget Formulation, Section 9.a.(2).

Office of Workers' Compensation Programs			
Special Benefits			
Resource Summary			
	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request
Drug Resources by Function			
Prevention	\$1.453	\$1.459	
Total Drug Resources by Function	\$1.453	\$1.459	
Drug Resources by Decision Unit			
Federal programs for workers' compensation	\$1.453	\$1.459	
Total Drug Resources by Decision Unit	\$1.453	\$1.459	
Drug Resources Personnel Summary			
Total FTEs (direct only)	5	5	
Drug Resources as a Percent of Budget			
Total Special Benefits Budget (in Billions)	\$0.084	\$0.082	
Drug Resources Percentage	1.73%	1.78%	



United States Department of State

Washington, DC 20520

UNCLASSIFIED

March 26, 2026

Sara Carter, Director
Office of National Drug Control Policy
Washington, D.C. 20503

Dear Ms. Carter:

In accordance with the Office of National Drug Control Policy Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021, the Bureau of International Narcotics Control and Law Enforcement Affairs (INL) at the U.S. Department of State is submitting its Accounting and Authentication of FY 2025 Drug Control Funds.

In accordance with the ONDCP circular listed above, all the information presented for INL in the attached report is true and correct to the best of my knowledge and I concur with the assertions contained in the report associated with regard to INL.

If you would like to address any questions associated with our submission, please contact me directly at KinseyRT@state.gov.

Sincerely,

A handwritten signature in black ink that reads "Rebecca Kinsey".

Rebecca Kinsey
Director, Office of Security Assistance and
Operations
Bureau of International Narcotics
Control and Law Enforcement Affairs
U.S. Department of State

Attachment

Tab 1 – FY 2025 INL National Drug Control Program Agency
Compliance Report

U.S. Department of State
Bureau of International Narcotics and Law Enforcement Affairs (INL)

**Accounting and Authentication of FY 2025 Budget Formulation Compliance
and Detailed Accounting Report for International Narcotics Control and Law
Enforcement (INCLE)**

Reference: Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, released September 9, 2021.

SECTION 6. Budget Formulation Compliance Report

Section 6(a). Summer Budget Formulation Information

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

In an email on September 16, 2025, the Department notified ONDCP that, since the Department had not conducted a bureau resource request process for the FY 2027 foreign assistance budget formulation process, there would not be an INL submission to Office of Foreign Assistance Oversight (FAO) nor would there be an FY 2027 Summer Budget Submission to ONDCP.

Section 6(a)(2). Summer Drug Budget Resource Summary Table

The Department did not submit a Summer Drug Budget Submission. The Department is therefore including the funding table submitted in FY 2027 Fall Drug Budget Submission.

Budget Authority (in Millions)			
	FY 2025 Request	FY 2026 Request**	FY 2027 OMB Submission
Drug Resources by Function			
International	\$343.369	\$70.000	
Total Drug Resources by Function	\$343.369	\$70.000	
Drug Resources by Decision Unit			
INCLE*	\$343.369	\$70.000	
Total Drug Resources by Decision Unit	\$343.369	\$70.000	
Drug Resources Personnel Summary			
Total FTEs	134	0	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)**	\$45.6	\$16.8	
Percentage	0.8%	0.4%	

**The FY 2026 Request for INCLE is \$125.0 million and is focused on countering synthetic drugs and their precursors. Of this total, \$70 million is attributed to the Counternarcotics program area; \$45 million is attributed to Citizen Security and

Law Enforcement program area; and \$10 million is attributed to Transnational Threats and Crime program area. In addition, the FY 2026 Request specified that the Department would rely on prior-year INCLE balances to fund FTE and other staffing and operating costs; consequently, the number of FTE that would be supported with FY 2026-requested resources is zero.

Section 6(b). Assertions

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

In an exchange of emails on September 16 and 17, 2025, the Department notified ONDCP that there would be no Summer Drug Budget Submission. ONDCP acknowledged and offered no objection. This was further formalized in the letter the Department transmitted to ONDCP on October 22, 2025, which also included the timely submission of the FY 2027 Fall Drug Budget Submission.

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

During the FY 2027 budget formulation leading up to submission to OMB, foreign assistance was planned at the account level and did not identify counternarcotics levels. I assert that the FY 2027 INCLE funding request submitted to ONDCP provided in section 6(a)(2) of this circular, which was submitted as a part of the FY 2027 Fall Drug Budget Submission, represents the planning levels maintained by INL at the time of submission to F without alteration or adjustment by any official at the Department.

SECTION 7. Detailed Accounting Report

The Department is providing a Detailed Accounting Report on the drug control program obligations of the INL bureau in accordance with Section 7 of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews. The Detailed Accounting Report consists of (a) the drug control funding obligations, and (b) assertions by the accountable senior executive relating to the data and information presented on prior year obligations.

Section 7(a). Drug Control Funding Obligations

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

The following table presents the obligations of the drug control budgetary resources appropriated and available during FY 2025 by Drug Control Function and Budget Decision Unit.

INL Drug Control Obligations

		<u>Actual Obligations Occurring During FY 2025</u>
Drug Resources by Drug Control Function		
FY 2020		0.00
FY 2021		0.00
FY 2022		0.00
FY 2023		0.00
FY 2024		340,685,647.38
FY 2025		162,793,853.70
	Total	503,479,501.08
Drug Resources by Decision Unit		
FY 2020		0.00
FY 2021		0.00
FY 2022		0.00
FY 2023		0.00
FY 2024		340,685,647.38
FY 2025		162,793,853.70
	Total	503,479,501.08
INCLE Budget for Identified Appropriations		
FY 2020		38,646,275.00
FY 2021		12,823,485.00
FY 2022		55,368,438.62
FY 2023		2,759,130.00
FY 2024		1,724,605,767.13
FY 2025		261,392,208.90
	Total	2,095,595,304.65

Section 7(a)(2). Drug Methodology

The Department of State and USAID completed a reorganization that realigned certain USAID functions to the Department and discontinued functions that did not align with Administration priorities. To better align resources with core U.S.

national security and foreign policy objectives, the Department of State restructured its bureaus and offices responsible for implementing programs and functions transferred from USAID.

The Department's accounting system of record, Global Business Intelligence (GBI), tracks obligations through a combination of the appropriation point limitation, function code, allotment code, and project code. This arrangement enables the separation of all the drug control obligations being reported from other funds managed by INL. The accounting reports reflect net negative amounts when obligations and their associated expenditures and de-obligations occur in different fiscal years. Thus, all expenditures and de-obligations that occurred in the current year (i.e., FY 2025 for the purposes of this report) that are associated with original obligations that occurred in a prior year (e.g., FY 2024), would result in a negative obligation.

For the drug control obligations report, the *Drug Resources by Control Function* and *Drug Resources by Decision Unit* obligations levels were produced using GBI. The levels reported reflected INCLE program and Program Development and Support (PD&S) funds (account code 1022) that were obligated in FY 2025 for all project codes aligned with drug control activities. PD&S funds support administrative costs for INL programming. The *Total INCLE Budget for Identified Appropriations* amount was also produced using GBI and reflects INCLE funding from all active appropriations for drug control activities during FY 2025.

Section 7(a)(3). Methodology Modifications

There are no modifications to INL's methodology from previous years.

Section 7(a)(4). Material Weaknesses or Other Findings

The Department received an unmodified ("clean") audit opinion of its FY 2025 Financial Statements, with no material weaknesses in internal controls over financial reporting identified by the Independent Auditor. The Department maintains a robust system of internal controls that are validated by senior leadership. For FY 2025, no material weaknesses in internal controls were identified by senior leadership and no material weaknesses in internal controls over financial reporting were identified by the Senior Assessment Team or the Management Control Steering Committee. As a result, the Secretary was able to provide reasonable assurance on the effectiveness of the Department's overall internal controls and the internal controls over financial reporting in accordance

with the Federal Managers' Financial Integrity Act.

Section 7(a)(5). Reprogrammings or Transfers

Per ONDCP guidance (21 U.S.C. 1703 (c)(4)(A)), counternarcotics-related reprogramming actions that individually or in aggregate exceed \$5,000,000 or more than 10 percent of the program require ONDCP approval. For this reporting period (during FY 2025), INL and the Department did not process any such reprogramming actions for prior year funding (FY 2023 and earlier) that met the threshold.

In determining allocations of FY 2024 INCLE program funds, INL and the Department made several adjustments to counternarcotics levels that exceeded \$5,000,000 or 10 percent of amounts included in the FY 2024 CBJ. Those changes are included in the table below.

Region	Program	FY 2024 CBJ	FY 2024 Actual	Net Change to Drug Funds
Africa	Liberia	\$850,000	\$0	-\$850,000
Africa	Nigeria	\$250,000	\$1,400,000	\$1,150,000
East Asia and Pacific	Philippines	\$430,000	\$600,000	\$170,000
South and Central Asia	Afghanistan	\$3,000,000	\$0	-\$3,000,000
South and Central Asia	Central Asia Regional	\$1,950,000	\$1,650,000	-\$300,000
South and Central Asia	Kazakhstan	\$367,000	\$437,000	\$70,000
South and Central Asia	Pakistan	\$3,000,000	\$4,450,000	\$1,450,000
South and Central Asia	South and Central Asia Regional	\$0	\$3,000,000	\$3,000,000
South and Central Asia	Tajikistan	\$1,000,000	\$900,000	-\$100,000
South and Central Asia	Uzbekistan	\$200,000	\$1,400,000	\$1,200,000
Western Hemisphere	Mexico	\$9,000,000	\$20,250,000	\$11,250,000

Western Hemisphere	Peru	\$38,700,000	\$32,400,000	-\$6,300,000
Western Hemisphere	State WH Regional – CBSI	\$6,450,000	\$18,558,500	\$12,108,500
Western Hemisphere	State WH Regional – WHRSC	\$3,000,000	\$1,000,000	-\$2,000,000
Centrally Managed Programs	Drug Demand Reduction	\$15,000,000	\$3,675,000	-\$11,325,000
Centrally Managed Programs	Drug Supply Reduction	\$20,000,000	\$15,717,500	-\$4,282,500
Centrally Managed Programs	Global Crime and Drugs Policy	\$3,095,000	\$2,095,000	-\$1,000,000

Section 7(a)(6). Other Disclosures

No other disclosures.

Section 7(b). Assertions

Section 7(b)(l). Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the Department's accounting system of record for these Budget Decision Units.

Section 7(b)(2). Drug Methodology

I assert that the drug methodology used to calculate obligations of prior year budgetary resources is reasonable and accurate, that the data presented is complete and reliable, and that the financial systems supporting the drug methodology yield data that fairly present, in all material respects, aggregate obligations presented in the Table of Prior Year Obligations.

Section 7(b)(3). Application of Drug Methodology

I assert that the drug methodology disclosed in section 7(a)(2) was the actual methodology used to generate the table required by section 7(a)(1), that the calculations are sufficiently documented to independently reproduce these data, and the calculations provide a means to ensure consistency of data between reporting years.

Section 7(b)(4). Material Weaknesses or Other Findings

I assert that there are no material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, that may affect the presentation of prior year drug-related obligations as required by section 7(a)(4). There is therefore nothing to disclose.

Section 7(b)(5). Methodology Modifications

I assert that there were no modifications made to the methodology for reporting drug control resources from the previous year's reporting and there is therefore nothing to disclose.

Section 7(b)(6). Reprogrammings or Transfers

I assert that the data presented are associated with obligations against a budget that was approved by ONDCP for all drug-related resources. Additionally, I assert that in accordance with ONDCP's policy to approve counternarcotics-related reprogramming actions that individually or in aggregate exceed \$5,000,000 or more than 10 percent of the program (21 U.S.C. 1703 (c)(4)(A)), INL has informed ONDCP of these changes.

Section 7(b)(7). Fund Control Notices

I assert that the data presented are associated with obligations against a financial plan that was approved by ONDCP. INL confirmed with ONDCP that no Fund Control Notices were issued to the Department in FY 2025.

DEPARTMENT OF TRANSPORTATION

**FEDERAL AVIATION ADMINISTRATION
NATIONAL DRUG CONTROL
FY 2025 DETAILED ACCOUNTING REPORT (REVISED)**



Table of Contents**Detailed Accounting Report (DAR) Table of Contents****DAR, Part A: Drug Control Funding Obligations**

1. Table of Prior Year Drug Control Obligations
2. Aviation Safety/Office of Aerospace Medicine (AVS/AAM) Report
 - a. Drug Methodology
 - b. Methodology Modifications
 - c. Material Weaknesses or Other Findings
 - d. Reprogrammings or Transfers
 - e. Other Disclosures
3. Security and Hazardous Materials Safety (ASH) Report
 - a. Drug Methodology
 - b. Methodology Modifications
 - c. Material Weaknesses or Other Findings
 - d. Reprogrammings or Transfers
 - e. Other Disclosures

DAR, Part B: Assertions

1. Letter with signed assertions by the CFO

1. Table of Prior Year Drug Control Obligations

DRUG CONTROL BUDGET RESOURCE SUMMARY TABLE
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
(Dollars in Millions)

	FY 2025 PB	FY 2025 Enacted	FY 2025 Actuals
Drug Resources by Budget Decision Unit and Function:			
Decision Unit: Aviation Safety/Aerospace Medicine			
Intelligence Interdiction	\$0.000	\$0.000	\$0.000
International	\$0.000	\$0.000	\$0.000
Investigations	\$2.340	\$2.340	\$2.290
Prevention	\$24.050	\$24.050	\$22.660
<i>Industry</i>	\$15.880	\$15.880	\$14.110
<i>Internal</i>	\$8.170	\$8.170	\$8.550
Prosecution	\$0.000	\$0.000	\$0.000
Recovery	\$0.000	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000	\$0.000
State & Local Assistance	\$0.000	\$0.000	\$0.000
Treatment	\$0.000	\$0.000	\$0.000
Total, Aviation Safety/Aerospace Medicine	\$26.390	\$26.390	\$24.950
Decision Unit: Security and Hazardous Material Safety			
Intelligence Interdiction	\$2.760	\$2.760	\$2.760
International	\$0.000	\$0.000	\$0.000
Investigations	\$0.000	\$0.000	\$0.000
Prevention	\$0.000	\$0.000	\$0.000
Prosecution	\$0.000	\$0.000	\$0.000
Recovery	\$0.000	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000	\$0.000
State & Local Assistance	\$2.770	\$2.770	\$2.770
Treatment	\$0.000	\$0.000	\$0.000
Total, Security and Hazardous Material Safety	\$5.530	\$5.530	\$5.530
Drug Resources by Function:			
Intelligence Interdiction	\$2.760	\$2.760	\$2.760
International	\$0.000	\$0.000	\$0.000
Investigations	\$2.340	\$2.340	\$2.290
Prevention	\$24.050	\$24.050	\$22.660
Prosecution	\$0.000	\$0.000	\$0.000
Recovery	\$0.000	\$0.000	\$0.000
Research & Development	\$0.000	\$0.000	\$0.000
State & Local Assistance	\$2.770	\$2.770	\$2.770
Treatment	\$0.000	\$0.000	\$0.000
Total Funding	\$31.920	\$31.920	\$30.480
Drug Resources Personnel Summary			
Aviation Safety/Aerospace Medicine	100	100	91
Security & Hazardous Materials	26	26	29
Total FTEs (direct only)	126	126	120
Drug Resources as a Percent of Budget			
Total Agency Budget	\$ 21,803	\$ 20,989	\$ 20,989
Drug Resources Percentage	0.15%	0.15%	0.15%

2. Aviation Safety/Office of Aerospace Medicine (AVS/AAM) Report

(a) Drug Control Methodology:

The FAA has written procedures to identify their drug control obligations. The Office of Aerospace Medicine's (AAM) drug control obligations are properly identified in Delphi, the Department of Transportation's (DOT) accounting system, and follow DOT's and FAA's OMB-A123 procedures.

AVS AAM's drug control fund information is identified and tracked in Delphi using unique accounting project Codes, task codes, organization expenditure codes, and program elements. AAM's Drug Control Funds are assigned a separate allocation code for accounting of project funds in Delphi. AVS-AAM used the Delphi OBIEE report AGL99001-B2R Status of Fund YTD report to isolate obligations for FY 2025. The report was run for FY 2025 obligations as of the end of September 30, 2025. The following parameters were used, as well as several additional columns that provided more information (e.g., organization, etc.):

- Fund: 1260100250 (the FY2025 fund code)
- Allotment Fund Code (AFC): 24 (AAM's AFC)
- Major Object Class: All
- Internal Substance Abuse:
 - BLI 483000
- Industry Substance Abuse:
 - Cost Center B390, B391, B392, and B393
 - BLI 484000
- Investigations:
 - Cost Center B394
 - BLI 484000

To capture additional Obligations made from AVS Corporate Funding, AAM used SplashBI (reporting system that replaced OBIEE in March 2026) report MG12017-ALL using the following parameters:

- Fund: 1260100250
- Org Code: WAB6100000
- BLI: 490000
- Major Object Class Code: 25 (Contracts)
- Internal Substance Abuse
 - Project 12XXFAEMPSUB
- Industry Substance Abuse
 - Project 12XXFAINDSUB

Staffing FTE numbers are actual as of PP2025-20. This is the last full pay period in FY2025, which is what is used by AFN for reporting.

AAM is sent an automated Oracle Staffing report each pay period, which is a direct feed from the Federal Payroll Processing System (FPPS) and was set up by the FAA's Human Resources Office.

An AAM four-step process is in place to monitor AAM's Drug Control Program obligations (not including Personnel compensation and benefits) obligations:

- Administrative Assistant review;
- Program Manager approval;
- AAM Finance Branch fund certification; and
- Delphi reconciliation.

Monthly reconciliation of data recorded in the Delphi accounting system is the key to the program office's financial oversight to ensure complete and timely recording of the transactions.

AAM determines drug control amounts on the basis of estimates supported by (1) historical data obtained from the agency accounting system, and (2) requirements for the year. AAM ultimately compares these estimates to actual amounts when they become available. AAM accounts for the Drug Control expenditures using our internal cuff record system, signed documentation, and Delphi reconciliation.

(b) Methodology Modifications:

None

(c) Material Weaknesses or Other Findings:

None

(d) Reprogramming or Other Transfers:

None

(e) Other Disclosures:

None

3. Security and Hazardous Materials Safety (ASH) Report

(a) Drug Control Methodology:

FAA's Office of Security and Hazardous Materials Safety (ASH) follows the guidance established by the FAA (e.g., the FAA Financial Manual) for all obligations.

ASH's Law Enforcement Assistance Program (LEAP) accounting information can be segregated in DELPHI because LEAP has a unique Budget Line Item (BLI), 464000, which enables ASH to identify total payroll and other object class obligations associated with the program. In addition, we are adding data from the Platform for Unified Reports for the Enterprise (PURE) for LEAP Project, task codes activities from other ASH programs.

The FAA utilizes Delphi, Oracle Business Intelligence Enterprise Edition (OBIEE), and Labor Distribution Reporting (LDR) data PURE to acquire financial obligation data. ASH used the Delphi OBIEE report AGL99001-B2R Status of Fund YTD report to isolate obligations for FY 2025. The following parameters were used, as well as several additional columns that provided more information (e.g., organization, etc.):

- Fiscal Year 2025; Fund: 1250100240 (FY 2024/2025 fund code) & 1260100250 (FY 2025/2026 fund code)
- BLI: 464000 (LEAP BLI)
- Allotment Fund Code (AFC): 79 (ASH's AFC)
- Major Object Class: All

The LEAP PC&B and other object class funds are assigned to the 464000 Budget Line Item. No other ASH program financial obligations are assigned to 464000.

ASH employees conducting LEAP activities are assigned to LEAP and therefore, employee costs are associated with the 464000 BLI. Delphi financial reports are system generated and available in perpetuity. Delphi data cannot be manipulated. When using the same parameters, the reported data will be the same.

For FY 2025, ASH determined the total cost of regular and paid overtime hours by Delphi Project-Task Code pair for LEAP employees from RLCR1500, Labor Cost by Organization, by Employee LDR reports.

ASH's LEAP division was initially structured to devote 100 percent of its staff time to ONDCP-related work. Since then, responding to incidents related to Unmanned Aircraft Systems (UAS) and Laser pointers has been added to the division's responsibilities, reducing the capacity to conduct ONDCP work. Based on input from the program office, descriptive information in the ASH LDR Dictionary, and Delphi Project and Task Code descriptions, ASH determined the cost of UAS and Laser activities reported by LEAP employees. Therefore, the cost of LEAP is the cost remaining after subtracting the cost of UAS and Laser activities from the total cost of LEAP employees.

ASH's LEAP out-year estimates are based on historical cost data and future expectations for the number of staff that will be assigned to LEAP. When there is unanticipated growth in activities such as UAS and/or Laser activities, additional agents are authorized, vacancies may not be filled because of funding issues (e.g., continuing resolutions, hiring freezes, etc.), or there is unanticipated attrition, the out-year estimates are impacted because the bulk of the costs are payroll and benefits based. Thus, it is critical to

have close working relationships among the ASH LEAP, budget, and ASH and FAA HR offices so that everyone is continuously aware of LEAP developments and changes in personnel needs.

(b) Methodology Modifications:

Not Applicable.

(c) Material Weaknesses or Other Findings:

Not Applicable.

(d) Reprogramming or Other Transfers:

Not Applicable.

(e) Other Disclosures:

None



Federal Aviation Administration

June 16, 2026

The Honorable Sara Carter
Director
Office of National Drug Control Policy
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Director Carter:

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the Federal Aviation Administration's (FAA) Revised Fiscal Year 2025 Detailed Accounting Report is enclosed. FAA's obligations for drug-related activities fall below the reporting threshold of \$50 million; therefore, only a limited report is required to satisfy the statutory requirement.

The FAA's original FY 2025 Detailed Accounting Report (DAR) submitted to ONDCP in December 2025 reflected total obligations for Aviation Safety/Office of Aerospace Medicine in FY 2025 of \$20.98 million, a reduction of \$5.4 million from the FY 2025 Enacted level and \$1.89 million below FY 2024 actual levels. For the Internal Prevention function, FY 2025 actual obligations were reported as \$4.69 million, a reduction of \$3.48 million below the FY 2025 Enacted level and \$3.07 million below FY 2024 actual levels.

Following a recent internal review, FAA has determined that the actual obligations originally reported in the FY 2025 DAR were not accurate in that they inadvertently omitted obligations made from AVS Corporate Funding for Substance Abuse Awareness & Testing and ODAPC Services that directly support FAA's drug control efforts. FAA is now submitting a revised FY 2025 DAR that properly captures these obligations, restating the FY 2025 Aviation Safety/Office of Aerospace Medicine actuals to a total of \$24.95 million, a reduction of \$1.44 million below the Enacted level and \$2.08 million above FY 2024 actuals. For the Internal Prevention function, FY 2025 actual obligations are now reported as \$8.55 million, \$380 thousand above Enacted and \$790 thousand above FY 2024 actuals.

In addition to restating these numbers, the revised DAR outlines the additional Delphi project

codes, task codes, and organization expenditure codes utilized to capture the full breadth of our drug control expenditures. The Aviation Safety/Office of Aerospace Medicine procedures used to identify their annual drug control obligations are being updated to avoid this oversight in future DAR submissions.

As specified by the Circular, the report details how each drug control unit reports obligation data in support of National Drug Control program activities. The Offices of Aviation Safety (AVS) and Security and Hazardous Materials (ASH) utilize financial systems such as the Department of Transportation's (DOT) Delphi accounting system and Oracle Business Intelligence Enterprise Edition (OBIEE) when accounting for drug budget obligations. FAA and DOT guidance ensures that a repeatable process is utilized in tracking drug funds through the accounting cycle. The attached accounting report explains the methodology utilized by AVS and ASH.

Assertions

1. Obligations by budget decision unit.

Obligations reported by AVS and ASH are the actual obligations derived from the FAA's accounting system of record or are consistent with the application of the approved methodology, as required by ONDCP Circular: Budget Formulation, Section 7.

2. Drug methodology data and financial systems.

The methodology is based on reliable data with a methodology that describes the relationship of decision units reported to ONDCP and the programs/activities as reported in the financial system.

3. Application of drug methodology.

The drug methodology disclosed in Section 7.a.(2) was the actual methodology used to generate the table required by Section 7.a.(1).

4. Material weakness or other findings.

None reported.

5. Methodology modifications.

None reported.

6. Reprogrammings or transfers.

None reported.

7. Fund control notices.

None reported.

8. Unreasonable burden exception.

In accordance with section 8.d.(1) of the ONDCP Circular: *National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the FAA finds

that complying with the Inspector General Authentication requirements for a budget below \$50 million constitutes an unreasonable reporting burden and has requested and received exemption from the Inspector General review as detailed in section 8.

FAA's point of contact for this report is Peter Toman. He can be reached at (202) 267-5451, if further assistance is required.

Sincerely,

**RACHEL A
MILBERG**

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A MILBERG
Date: 2026.06.17 18:09:09
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Rachel Milberg
Chief Financial Officer
Federal Aviation Administration

DEPARTMENT OF TRANSPORTATION

**FEDERAL AVIATION ADMINISTRATION
NATIONAL DRUG CONTROL
FY 2025 BUDGET FORMULATION COMPLIANCE REPORT**



DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration

Budget Formulation Compliance Report (BFCR) Table of Contents

BFCR, Part A: Summer Budget Formulation Information

1. Copy of the FY 2027 Summer Drug Budget Transmittal Letter submitted to ONDCP
2. Copy of the FY 2027 Summer Drug Budget Resource Summary Table submitted to ONDCP

BFCR, Part B: Assertions – Timeliness and Accurate Reporting of Budget Levels

1. Letter with signed assertions by the Chief Financial Officer (CFO)



Federal Aviation Administration

The Honorable Jon Rice
Director
Office of National Drug Control Policy
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Director Rice:

As required by 21 U.S.C. § 1703(c)(1)(A), and in accordance with all relevant guidance, I am providing the Office of National Drug Control Policy with the Federal Aviation Administration's FY 2027 Summer Drug Budget submission.

[REDACTED] FY 2026 President's Budget level. The FAA's drug control support work is divided between two decision units, the Aviation Safety/Aerospace Medicine Organization and the Security and Hazardous Materials Safety Organization. Each of these decision units provides support services to organizations with drug enforcement authority. Combined, these decision units support four drug functions: intelligence interdiction, investigations, prevention, and state & local assistance.

The Security and Hazardous Materials Safety Organization's Law Enforcement Assistance Program provides law enforcement and other agencies with information regarding airmen/aircraft in support of criminal investigations. Meanwhile, the Aviation Safety/Aerospace Medicine Organization performs prevention and investigation work. They investigate complaints about rule violations and allegations of industry employee refusals to test as well as investigating alcohol or drug rule violations by FAR § 67 medical certificate holders.

We will continue to update you as we refine the budget and FAA's contribution to the drug abatement program for FY 2027. If you should have any questions please do not hesitate to reach out to our point of contact, Peter Toman (peter.toman@faa.gov).

Sincerely,

RACHEL A
MILBERG

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MILBERG
Date: 2025.07.10 18:27:39 -04'00'

Rachel Milberg
Acting Chief Financial Officer, FAA

DRUG CONTROL BUDGET RESOURCE SUMMARY TABLE
DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
(Dollars in Millions)

	FY 2025 Enacted	FY 2026 PB	O
Drug Resources by Budget Decision Unit and Function:			
Decision Unit: Aviation Safety/Aerospace Medicine			
Intelligence Interdiction	\$0.000	\$0.000	
International	\$0.000	\$0.000	
Investigations	\$2.340	\$2.340	
Prevention	\$24.050	\$24.050	
<i>Industry</i>	\$15.880	\$15.880	
<i>Internal</i>	\$8.170	\$8.170	
Prosecution	\$0.000	\$0.000	
Recovery	\$0.000	\$0.000	
Research & Development	\$0.000	\$0.000	
State & Local Assistance	\$0.000	\$0.000	
Treatment	\$0.000	\$0.000	
Total, Aviation Safety/Aerospace Medicine	\$26.390	\$26.390	
Decision Unit: Security and Hazardous Material Safety			
Intelligence Interdiction	\$2.760	\$2.750	
International	\$0.000	\$0.000	
Investigations	\$0.000	\$0.000	
Prevention	\$0.000	\$0.000	
Prosecution	\$0.000	\$0.000	
Recovery	\$0.000	\$0.000	
Research & Development	\$0.000	\$0.000	
State & Local Assistance	\$2.770	\$2.750	
Treatment	\$0.000	\$0.000	
Total, Security and Hazardous Material Safety	\$5.530	\$5.500	
Drug Resources by Function:			
Intelligence Interdiction	\$2.760	\$2.750	
International	\$0.000	\$0.000	
Investigations	\$2.340	\$2.340	
Prevention	\$24.050	\$24.050	
Prosecution	\$0.000	\$0.000	
Recovery	\$0.000	\$0.000	
Research & Development	\$0.000	\$0.000	
State & Local Assistance	\$2.770	\$2.750	
Treatment	\$0.000	\$0.000	
Total Funding	\$31.920	\$31.890	
Drug Resources Personnel Summary			
Aviation Safety/Aerospace Medicine	100	100	
Security & Hazardous Materials	26	26	
Total FTEs (direct only)	126	126	
Drug Resources as a Percent of Budget			
Total Agency Budget	\$ 21,803	\$ 22,007	\$
Drug Resources Percentage	0.15%	0.14%	



Federal Aviation Administration

December 1, 2025

The Honorable Sara Carter
Director
Office of National Drug Control Policy
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Director Carter:

In accordance with the Office of National Drug Control Policy (ONDCP) Circular: *National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the Federal Aviation Administration's (FAA) Fiscal Year 2025 Budget Formulation Compliance Report is enclosed.

As specified by the Circular, the report consists of the transmittal letter as well as the drug budget resource summary table for the Summer FY 2027 submission. The table only includes the drug budget request from the Department of Transportation since a formal President's Budget has not been approved for FY 2027.

Assertions

1. Timeliness of budget submission.

The FAA's summer drug budget was provided to ONDCP concurrent with our FY 2027 budget submission to the Office of the Secretary.

2. Funding levels represent bureau level requests.

The funding request represents the funding levels in the budget submission made by the FAA bureaus to the FAA Budget Office without alteration or adjustment by the FAA or Department of Transportation.



3. Unreasonable burden exception.

In accordance with section 8.d.(1) of the ONDCP Circular: *National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the FAA finds that complying with the Inspector General Authentication requirements for a budget below \$50 million constitutes an unreasonable reporting burden and requests exemption from the Inspector General review as detailed in section 8.

FAA's point of contact for this report is Peter Toman. He can be reached at (202) 267-5451, if further assistance is required.

Sincerely,

**RACHEL A
MILBERG**

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RACHEL A MILBERG
Date: 2025.12.02
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Rachel Milberg
Acting Chief Financial Officer
Federal Aviation Administration

November 25, 2025

Sara Carter, Director
Office of National Drug Control Policy
1800 G St NW
Washington, DC 20006

Dear Director Carter:

The National Highway Traffic Safety Administration (NHTSA) is requesting an exemption from Inspector General Authentication attestation on NHTSA's FY 2025 Drug Control Program activities.

The September 9, 2021, ONDCP Circular on National Drug Control Program Agency Compliance Reviews allows for exemption from the Inspector General Authentication attestation review. According to Section 8(d), "An agency or bureau included in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may request an exemption from the Inspector General Authentication review required by Section 8."

NHTSA's FY 2025 drug-related obligations were approximately \$17.1 million and as such the Inspector General Authentication requirements would constitute an unreasonable reporting burden.

Sincerely,

**JONATHAN DANIEL
GATTI**

Jon Gatti
Chief Financial Officer
National Highway Traffic Safety Administration

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DANIEL GATTI
Date: 2025.11.26 07:55:30 -05'00'

DEPARTMENT OF TRANSPORTATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

NATIONAL DRUG CONTROL

FY 2025 DETAILED ACCOUNTING REPORT



U.S. DEPARTMENT OF TRANSPORTATION
National Highway Traffic Safety Administration

Detailed Accounting Report (DAR) Table of Contents

DAR, Part A: Drug Control Funding Obligations

1. Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function
2. Drug Methodology
3. Methodology Modifications
4. Material Weaknesses or Other Findings
5. Reprogrammings or Transfers
6. Other Disclosures

DAR, Part B: Assertions

1. Obligations by Budget Decision Unit
2. Drug Methodology
3. Application of Drug Methodology
4. Material Weaknesses or Other Findings
5. Methodology Modifications
6. Reprogrammings or Transfers
7. Fund Control Notices

1. Table of FY 2025 Drug Control Obligations by Decision Unit and Drug Control Function

Budget Authority (in Millions)		
Highway Safety Research and Development Account	FY 2025 Enacted BA	FY 2025 Obligations
Drug Resources by Function		
Prevention	\$17.122	\$17.122
Total Drug Resources by Function	\$17.122	\$17.122
Drug Resources by Decision Unit		
Office of Research and Program Delivery	\$4.422	\$4.422
[Emergency Medical Services IAA – Non-Add] ¹	[0.300]	[0.300]
Communications and Consumer Information	\$12.700	\$12.700
Total Drug Resources by Decision Unit	\$17.122	\$17.122

1. Drug Methodology:

NHTSA calculates drug control obligations using a fixed percentage of enacted budget authority. For the Office of Research and Program Delivery, NHTSA assumes 7.5% of the office's base budget supports drug control activities. The assumption for the Office of Communications and Consumer Information is that 40% of the impaired driving media budget supports media related to drug-impaired driving.

NHTSA follows a budget strategy planning process to develop projects each fiscal year. Projects by Decision Unit and Function that address drug-control activities are identified and tracked in accordance with ONDCP Circulars.

NHTSA uses DOT's financial management system, Delphi, to account for all program expenditures, including funds dedicated to drug-impaired driving initiatives. As part of its annual budget execution process, NHTSA assigns Budget Program Activity Codes (BPACs), unique accounting codes for each program area.

2. Methodology Modifications:

This is the first budget cycle applying the methodology described above. The change was made in response to OIG recommendations.

Previously, NHTSA lacked a formal, written methodology for identifying drug control obligations. Drug control fund spending plans were reviewed by Contracting Officer's Representatives, Division Chiefs, Office Directors, the Associate Administrator for Research and Program Development, and the Chief Financial Officer. NHTSA's Office of Acquisition Management (OAM) also reviewed this information prior to issuing funds. Once OAM approved the spending plans, obligating documents (e.g., agreements and contracts) were entered into Delphi and subsequently tracked. Approved invoices are recorded as expenditures against the obligations.

3. Material Weaknesses or Other Findings: None

4. Reprogrammings or Transfers: None

5. Other Disclosures:

The approved methodology was used to derive the totals reported in the included Table of FY 2025 Drug Control Obligations by Decision Unit and Drug Control Function. The \$17.122 million total reported here differs from previous FY 2025 final reporting to ONDCP.

Sara Carter, Director
Office of National Drug Control Policy
Executive Office of the President
1800 G Street, NW
Washington, DC 20006

Dear Director Carter:

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the National Highway Traffic Safety Administration (NHTSA) has enclosed its Fiscal Year (FY) 2025 **Detailed Accounting Report**. NHTSA's obligations for drug-related activities fall below the reporting threshold of \$50 million; therefore, only a limited report is required to satisfy the statutory requirement.

As specified by the Circular, the report details how each drug control unit reports obligation data in support of National Drug Control Program activities. NHTSA uses the Department of Transportation's Delphi accounting system when identifying, tracking, and reporting drug budget obligations. NHTSA and DOT guidance ensures that a repeatable process is used in tracking drug funds through the accounting cycle. The attached accounting report explains the methodology NHTSA uses.

Assertions

- ☐ **Obligations by Budget Decision Unit**
Obligations reported by budget decision unit are consistent with the application of the approved methodology.
- ☐ **Drug Methodology:**
 - ☐ **Data**
The methodology is based on reliable data. NHTSA annually reviews the resources necessary to maintain and improve programs that reduce drug-impaired driving.
 - ☐ **Financial Systems**
NHTSA applies the approved methodology to obligations data reported in DOT's accounting system, Delphi to yield data that fairly present aggregate obligations presented in the table of prior year obligations.
- ☐ **Application of Drug Methodology**
The disclosed drug methodology was used to generate the Table of Prior Year (FY 2023) Drug Control Obligations by Decision Unit and Drug Control Function.
- ☐ **Material Weaknesses or Other Findings**
None reported
- ☐ **Methodology Modifications**
- ☐ **Reprogrammings or Transfers**
None reported

☐ **Fund Control Notices**

The data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices.

NHTSA's point of contact for this report is Brian Killheffer, Director of the Office of Budget. He can be reached at brian.killheffer@dot.gov if further assistance is required.

Sincerely,

**JONATHAN
DANIEL GATTI**

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DANIEL GATTI
Date: 2026.04.23 07:58:10 -04'00'

Jon Gatti
Chief Financial Officer
NHTSA

DEPARTMENT OF TRANSPORTATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION NATIONAL DRUG CONTROL FY 2027 BUDGET FORMULATION COMPLIANCE REPORT



U.S. DEPARTMENT OF TRANSPORTATION
National Highway Traffic Safety Administration

Budget Formulation Compliance Report (BFCR) Table of Contents

BFCR, Part A: Summer Budget Formulation Information

1. Summer Drug Budget Transmittal
2. Summer Drug Budget Resource Summary Table

Attachment:

1. Final Drug Budget Transmittal

Part A: FY 2027 Summer Drug Budget Transmittal from DOT to ONDCP

From: Killheffer, Brian (NHTSA) <brian.killheffer@dot.gov>

Sent: Monday, August 18, 2025 3:32 PM

To: Velez, Denny EOP/ONDCP <Dennis.Velez@ondcp.eop.gov>

Cc: Gatti, Jon (NHTSA) <Jon.Gatti@dot.gov>; Wald, Karla (OST) <karla.wald@dot.gov>; Patton, Sean (OST) <sean.patton@dot.gov>

Subject: NHTSA Summer Submission to ONDCP

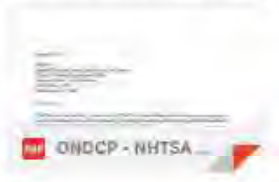
Denny,

I've attached NHTSA's FY 2027 summer drug budget estimates. Please let me know if have questions or you'd like to discuss.

Thanks,

Brian

One attachment • Scanned by Gmail   Add to Drive



Part A: FY 2027 Summer Drug Budget Resource Summary Table submitted to ONDCP

Resource Summary Table

Budget Authority (in Millions)			
Highway Safety Research and Development Account	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Request
Drug Resources by Function			
Prevention	\$17.100	17.700	
Total Drug Resources by Function	\$17.100	\$17.700	
Drug Resources by Decision Unit			
Office of Research and Program Delivery			
Impaired Driving	\$2.900	\$2.500	
Behavioral Safety Research	\$1.500	\$2.500	
[Emergency Medical Services IAA - Non Add] ¹	[0.3]	[0.5]	
Communications and Consumer Information	\$12.70	\$12.70	
Total Drug Resources by Decision Unit	\$17.100	\$17.700	
Drug Resources Personnel Summary			
Total FTEs (direct only)	3	3	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$1.582	\$1.604	
Drug Resources Percentage	1%	1%	

^{1/} EMS levels consistent with previously reported totals, but now reflected as a non-add based on discussions with ONDCP

Sara Carter, Director
Office of National Drug Control Policy
Executive Office of the President
1800 G Street, NW
Washington, DC 20006

Dear Director Carter:

In accordance with the *Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews*, issued September 9, 2021, the National Highway Traffic Safety Administration (NHTSA) has enclosed its Fiscal Year (FY) 2027 Budget Formulation Compliance Report. NHTSA's obligations for drug-related activities fall below the reporting threshold of \$50 million; therefore, only a limited report is required to satisfy the statutory requirement.

As specified by the Circular, the report states the date the summer budget was submitted to ONDCP and includes a copy of the funding table submitted to ONDCP. The summer drug budget was submitted to ONDCP on August 18, 2025. The funding request represents the funding levels in budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

The resource table has since been updated, and the current table is attached. The updated table includes the drug budget request from the Department of Transportation since a formal President's Budget has not yet been approved for FY 2027. Note that NHTSA's FY 2027 budget request is subject to reauthorization of surface transportation programs by Congress, so funding levels and program details remain to be determined. While many core programs previously funded through prior reauthorizations may continue, exact funding amounts, eligibilities, and requirements are all subject to change.

NHTSA's point of contact for this report is Brian Killheffer, Director of the Office of Budget. He can be reached at brian.killheffer@dot.gov if further assistance is required.

Sincerely,

**JONATHAN
DANIEL GATTI**

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DANIEL GATTI
Date: 2026.04.23 07:59:18 -04'00'

Jon Gatti
Chief Financial Officer
National Highway Traffic Safety Administration

Attachment: NHTSA Final Drug Budget Resource Summary Table

RESOURCE SUMMARY

Budget Authority (in Millions)			
Highway Safety Research and Development Account	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Request
Drug Resources by Function			
Prevention	\$17.100	17.700	
Total Drug Resources by Function	\$17.100	\$17.700	
Drug Resources by Decision Unit			
Office of Research and Program Delivery			
Impaired Driving	\$2.900	\$2.500	
Behavioral Safety Research	\$1.500	\$2.500	
[Emergency Medical Services IAA–Non-Add] ¹	[0.3]	[0.5]	
Communications and Consumer Information	\$12.70	\$12.70	
Total Drug Resources by Decision Unit	\$17.100	\$17.700	
Drug Resources Personnel Summary			
Total FTEs (direct only)	3	3	
Drug Resources as a percent of Budget			
Total Agency Budget (in Billions)	\$1.582	\$1.604	
Drug Resources Percentage	1%	1%	

¹/ FY 2027 budget levels are pending and dependent upon reauthorization of surface transportation programs.

²/ EMS levels consistent with previously reported totals, but now reflected as a non-add based on discussions with ONDCP



Financial Crimes Enforcement Network
U.S. Department of the Treasury

Office of the Director

Washington, D.C. 20220

March 2, 2026

**MEMORANDUM FOR THE FY 2025 NATIONAL DRUG CONTROL BUDGET
COMPLIANCE REPORT AND DETAILED ACCOUNTING REPORT**

FROM: Jimmy Kirby
Acting Chief Financial Officer and Deputy Director
Financial Crimes Enforcement Network

TO: Scott I. Chronister
Acting Assistant Director for the Office of Performance and Budget
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

SUBJECT: FY 2027 National Drug Control Budget Compliance Report and Detailed
Accounting Report

Dear Mr. Chronister,

Attached is Financial Crimes Enforcement Network's (FinCEN) FY 2027 national drug control budget compliance report and detailed accounting report for FY 2025 actuals.

A substantial portion of FinCEN's overall budget supports the collection, maintenance, and management of Bank Secrecy Act (BSA) data, as well as the dissemination of BSA data to authorized law enforcement agencies. Some of these law enforcement agencies are also heavily involved in counter-drug efforts. These indirect infrastructure and enterprise support costs are not allocated to the National Drug Control Budget. Only those resources directly attributable to counternarcotics activities and related operational support by FinCEN are reflected in the National Drug Control Budget totals included herein.

Financial Crimes Enforcement Network (FinCEN)
Budget Formulation Compliance Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025

On the basis of FinCEN's management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that FinCEN's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) was submitted via email on July 18, 2025 at the same time the budget was submitted to the DCFO in accordance with 21 U.S.C. § 1703(c)(1)(A).
2. The funding request in the submission provided to ONDCP in the summer drug budget resource table represents the funding levels in the budget submission made by FinCEN without alteration or adjustment by any official at FinCEN.

**Jimmy L. Kirby
Jr.**

Digitally signed by Jimmy L.
Kirby Jr.
Date: 2026.03.02 11:43:07
-05'00'

Jimmy Kirby, Acting Chief Financial Officer
Financial Crimes Enforcement Network

Date

Department of the Treasury – Financial Crimes Enforcement Network

	Budget Authority (in millions)		
	FY 2025 Current	FY 2026 President's Budget	FY 2027 Summer Budget
Drug Resources by Function			
Investigations	\$2.12	\$ 2.30	
Total Drug Resources by Function	\$2.12	\$ 2.30	
Drug Resources by Decision Unit			
Salaries and Expenses	\$2.12	\$ 2.30	
Total Drug Resources by Decision Unit	\$2.12	\$ 2.30	
Drug Resources Personnel Summary			
Total FTEs (direct only)	14	14	
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$190.2M	\$215.7M	
Drug Resources Percentage	1.11%	1.07%	

Financial Crimes Enforcement Network (FinCEN)
Detailed Accounting Report
Management's Assertion Statement
For Fiscal Year Ended September 30, 2025

On the basis of FinCEN's management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that FinCEN's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by FinCEN to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
4. There were no modifications to the methodology used to report drug control resources.
5. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2025.
6. FinCEN did not have any ONDCP Fund Control Notices issued in FY 2025.
7. Compliance with the Inspector General Authentication requirements of Section 8 of this Circular would constitute an unreasonable reporting burden.

**Jimmy L.
Kirby Jr.**

Digitally signed by Jimmy L.
Kirby Jr.
Date: 2026.03.02 11:50:32
-05'00'

Jimmy Kirby, Acting Chief Financial Officer
Financial Crimes Enforcement Network

Date

**Financial Crimes Enforcement Network (FinCEN)
Detailed Accounting Submission
Drug Control Funding Obligations
For Fiscal Year Ended September 30, 2025
(Dollars in Millions)**

	FY 2025 Actual Obligations
Drug Obligations by Budget Decision Unit and Function:	
Decision Unit: Investigations	
Salaries and Expenses	\$ 3.36
Total Investigations	\$ 3.36
Total Drug Control Obligations	\$ 3.36

Disclosure 1: Drug Methodology

The FTE estimate was based on staff working on transnational criminal organizations with a demonstrated drug nexus, including opioids. The funding level was estimated using the salary and benefit costs for GS 13/5 personnel.

Data – All accounting information for FinCEN is derived from Oracle.

Financial System – Oracle is FinCEN’s financial system that provides obligation data.

Disclosure 2: Application of Drug Methodology

The drug methodology disclosed was the actual methodology used to generate the table.

Disclosure 3: Methodology Modifications

No modifications were made to the methodology from the prior year.

Disclosure 4: Material Weaknesses or Other Findings

There were no material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in FinCEN’s Annual Statement of Assurance, which may affect the presentation of prior year drug-related obligations data.

Disclosure 5: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected FinCEN's drug-related budgetary resources.

Disclosure 6: Inspector General Authentication

With less than \$50 million in prior year drug-related obligations, compliance with the Inspector General Authentication requirements of Section 8 of this Circular would constitute an unreasonable reporting burden.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION



Independent Attestation Review of the IRS's Fiscal Year 2025 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds

February 20, 2026

Report Number: 2026-100-008

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.

HIGHLIGHTS: Independent Attestation Review of the IRS's Fiscal Year 2025 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds

Final Audit Report issued on February 20, 2026

Report Number 2026-100-008

Why TIGTA Did This Audit

This review was conducted as required by the Office of National Drug Control Policy (ONDCP), established under the Anti-Drug Abuse Act of 1988. The ONDCP Circular requires all National Drug Control Program agencies to submit budget formulation information and a detailed accounting of all funds expended during the previous fiscal year to the ONDCP by February 1 of each year. The deadline for the Fiscal Year 2025 report was extended to March 1, 2026, due to the extended government shutdown.

Further, the ONDCP Circular requires agencies to provide these reports to their Inspectors General for review before its submission to express a conclusion about the reliability of the reported assertions.

Impact on Tax Administration

The IRS supports the ONDCP's mission through its Criminal Investigation division's contributions to multi-jurisdictional task forces. These law enforcement efforts assist in disrupting transnational drug trafficking and money laundering organizations using the U.S. financial system. Complete and reliable financial information is critical to the IRS's ability to accurately report program results to internal and external stakeholders, including taxpayers.

What TIGTA Found

We conducted an independent attestation review of the IRS's ONDCP Budget Formulation Compliance Report and Detailed Accounting Report for Fiscal Year 2025, which ended on September 30, 2025. The reports were prepared pursuant to the National Drug Control Policy and the ONDCP Circular. IRS management is responsible for preparing the reports and the accuracy of the related assertions. Our responsibility was to express a conclusion on the reliability of management's assertions based on a review conducted under applicable attestation standards.

We conducted the review in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. These standards require independence, ethical compliance, and that we perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions to be in accordance with the criteria.

Based on our review, we are not aware of any material modifications necessary for the assertions to be fairly stated and in accordance with the ONDCP Circular.

What TIGTA Recommended

We made no recommendations as a result of this review.



TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

U.S. DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20024

February 20, 2026

MEMORANDUM FOR: COMMISSIONER OF INTERNAL REVENUE

FROM: Diana M. Tengesdal
Deputy Inspector General for Audit

SUBJECT: Final Audit Report – Independent Attestation Review of the IRS's Fiscal Year 2025 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds (Audit No.: 2026100001)

This report presents the results of our independent attestation review of the Internal Revenue Service's reporting of Fiscal Year 2025 Office of National Drug Control Policy budget formulation information and funds expended for the purpose of expressing a conclusion about the reliability of each assertion made in the Budget Formulation Compliance Report and Detailed Accounting Report. This review is part of our Fiscal Year 2026 Program Plan and addresses the major management and performance challenge of *Improving Operational Efficiencies*.

If you have any questions, please contact me or LaToya P. George, Acting Assistant Inspector General for Audit (Taxpayer Services and Operational Support).

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Background

The Anti-Drug Abuse Act of 1988 established the Office of the National Drug Control Policy (ONDCP) to set priorities, implement a national strategy, and certify federal government drug control budgets.¹ The Internal Revenue Service (IRS) is a National Drug Control Program agency and supports ONDCP's mission through its Criminal Investigation (CI) division.² CI contributes to multi-jurisdictional task forces and law enforcement efforts to disrupt transnational drug trafficking and money laundering organizations using the U.S. financial system. CI's role in federal anti-drug efforts is to reduce or eliminate the financial gains (profits) of major narcotics trafficking and money laundering organizations through its unique financial investigative expertise and statutory authority.

The ONDCP Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 2021, requires National Drug Control Program agencies to submit a Detailed Accounting Report to the ONDCP by February 1 of each year. The report provides a detailed accounting of funds expended (ONDCP guidance requires amounts obligated) and related assertions by the agency during the previous fiscal year. For Fiscal Year (FY) 2025, this reporting deadline was extended until March 1, 2026, due to the extended government shutdown. Agencies must also submit a Budget Formulation Compliance Report, which includes the agency drug control budget request and related assertions as part of their annual submission to the ONDCP.

The ONDCP Circular also requires agencies to provide these reports to their Inspectors General to express a conclusion about the reliability of the reported assertions. Complete and reliable financial information is critical to the IRS's ability to accurately report program results to internal and external stakeholders, including taxpayers. The ONDCP Circular requires Inspector General reviews at least once every three years. Our prior review of the IRS's ONDCP submission was conducted for FY 2023.³

Results of Review

Summary of the Independent Attestation Review of the IRS's Fiscal Year 2025 Office of the National Drug Control Policy Submission

Based on our review (conducted following applicable attestation standards) we are not aware of any material modifications necessary for IRS management's assertions to be fairly stated in accordance with the ONDCP Circular. We reviewed the assertions in the IRS's ONDCP Budget Formulation Compliance Report and Detailed Accounting Report for FY 2025, which ended

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 TIGTA, Report No. 2024-100-014, *Independent Attestation Review of the Internal Revenue Service's Fiscal Year 2023 Budget Formulation Compliance Report and Detailed Accounting Report of Drug Control Funds* (December 2023).

September 30, 2025.⁴ The reports were prepared pursuant to the National Drug Control Policy and the ONDCP Circular.⁵ IRS management is responsible for preparing the reports and their assertions. Our responsibility was to express a conclusion on the reliability of management's assertions based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in compliance with generally accepted government auditing standards. These standards require that we maintain independence, meet ethical responsibilities, and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertions to be in accordance with the criteria. The procedures performed in an attestation review vary in nature and timing and are substantially less in scope than an examination. The objective of an examination is to obtain reasonable assurance about whether management's assertions are fairly stated or are in accordance with the criteria, in all material respects to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of a review, the level of assurance obtained is substantially lower than that of an examination. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

While this report is an unrestricted public document, it is intended solely for the IRS, the Department of the Treasury, the ONDCP, and Congress. It is not intended to be, and should not be, used by anyone other than the specified parties.

⁴ Appendix II presents the IRS's FY 2025 Budget Formulation Compliance Report and Detailed Accounting Report.

⁵ 21 U.S.C. § 1704 (d).

Appendix I

Detailed Objective, Scope, and Methodology

The overall objective of this review was to perform an independent attestation review of the IRS's reporting of Fiscal Year 2025 ONDCP budget formulation information and funds expended for the purpose of expressing a conclusion about the reliability of each assertion made in the Budget Formulation Compliance Report and the Detailed Accounting Report. To accomplish our objective, we:

- Obtained an understanding of the process used to prepare the Fiscal Year 2025 Budget Formulation Compliance Report and Detailed Accounting Report.
- Evaluated the reasonableness of the methodology used to report funds expended for the National Drug Control Program activities.
- Performed selected reviews of reported obligations in the Detailed Accounting Report.
- Evaluated the reasonableness of the methodology used to report budget formulation information for National Drug Control Program activities.
- Performed selected reviews of reported budget resources in the Budget Formulation Compliance Report.

Performance of This Review

This review was conducted as required by the ONDCP. This review was performed with information obtained from the IRS Headquarters office of the Chief Financial Officer and the Chief, Criminal Investigation, in Washington, D.C., during the period December 2025 through February 2026. 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 (an examination) is to obtain reasonable assurance about whether management's assertions are in accordance with the criteria in all material respects to express an opinion. Accordingly, we do not express such an opinion. In general, our review procedures were limited to inquiries and analytical procedures appropriate for an attestation review based upon the criteria in the ONDCP Circular. We believe that the evidence obtained provides a reasonable basis for our finding and conclusion based on our objective.

Data Validation Methodology

We performed this review with data obtained from the IRS's CI Management Information System and Integrated Financial System. We evaluated the data by (1) performing electronic testing of required data elements, (2) reviewing existing information about the data and the system that produced them, and (3) interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for purposes of this report.

Internal Controls Methodology

Internal controls relate to management's plans, methods, and procedures used to meet their mission, goals, and objectives. Internal controls include the processes and procedures for

planning, organizing, directing, and controlling program operations. They include the systems for measuring, reporting, and monitoring program performance. We determined that the following internal controls were relevant to our audit objective: ONDCP circulars and guidance issued to drug control agencies. We reviewed these circulars and guidance as part of our review.

Appendix II

IRS's Fiscal Year 2025 Budget Formulation Compliance Report and Detailed Accounting Report



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D. C. 20224

January 28, 2026

MEMORANDUM FOR Diana Tengesdal
Deputy Inspector General for Audit

FROM: Todd Egaas **Todd O. Egaas** Digitally signed by Todd O. Egaas
Date: 2026.01.29 11:31:24 -05'00'
Associate Chief Financial Officer for Corporate Budget

SUBJECT: Attestation Review of the Internal Revenue Service's
Fiscal Year 2025 Accounting of Drug Control Funds
(Audit # 2026100001)

The purpose of this memorandum is to transmit the Internal Revenue Service's FY 2025 Budget Formulation Compliance and Detailed Accounting Reports. The Budget Formulation Compliance Report includes (a) FY 2025 summer budget formulation transmittal, resource summary table and the Detailed Accounting Report, with assertions by the CFO or accountable senior executive relating to the summer budget formulation information. These documents are submitted as directed by the Office of National Drug Control Policy (ONDCP Circular entitled *National Drug Control Program Agency Compliance Reviews*) dated September 9, 2021.

If you have any questions, please contact me at 202-317-3987, or have a member of your staff contact Barri Sauber, Acting Director Budget Formulation at 212-436-1590.

Attachment A: FY 2027 Summer Drug Budget Transmittal Email
Attachment B: FY 2027 Summer Drug Budget Resource Summary Table
Attachment C: FY 2025 Detailed Accounting Submission

**INTERNAL REVENUE SERVICE
National Drug Control Program Agency Compliance Review**

Budget Formulation Compliance Report:

Attachment A:

a. FY 2027 Summer Budget Formulation Information

- (1) Summer Drug Budget Transmittal. The FY 2027 Summer Drug Budget was transmitted to ONDCP on June 26, 2025, under ONDCP Circular: Budget Formulation Section 9.a.(1)

Attachment B:

(2) Summer Drug Budget Resource Summary Table.

Resource Summary

Budget Authority (in Millions)			
	FY 2025 Enacted	FY 2026 Request	FY 2027 Request
Drug Resources by Decision Unit			
Criminal Investigation	\$60.257	\$55.257	
Total Drug Resources by Decision Unit			
Drug Resources by Function			
Investigations	\$60.257	\$55.257	
Total Drug Resources by Function			
Drug Resources Personnel Summary			
Total FTEs (direct only)	295	268	
Drug Resources as a Percent of Budget			
Total Bureau's Budget (in Billions)	\$12.3	\$9.8	
Drug Resources Percentage	0.5%	0.6%	

b. Assertions

Timeliness of Summer Budget Submission: was provided to ONDCP at the same time it was submitted to superiors in accordance with 21 U.S.C. §1703(c)(1)(A).

Funding Levels represent Bureau- Level request: The funding request in the submission provided in Section represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

**Independent Attestation Review of the IRS's Fiscal Year 2025 Budget Formulation
Compliance Report and Detailed Accounting Report of Drug Control Funds**

Attachment C: **INTERNAL REVENUE SERVICE
DETAILED ACCOUNTING REPORT**

a. FY 2025 Drug Control Funding Obligations

(1) Table of FY 2025 Drug Control Obligations

Narcotics	
Drug Resources by Decision Unit	
Criminal Investigation	<u>\$104,432,100</u>
Total	\$104,432,100
Drug Resources by Control Function	
Investigations	<u>\$104,432,100</u>
Total	\$104,432,100

(2) Drug Methodology

- a) All Drug Control Obligations (the resources appropriated and available for these activities) are reported under one Decision Unit and one Control Function, as shown in the above chart.
- b) The Internal Revenue Service (IRS) Drug Control Budget encompasses the Criminal Investigation's (CI) Narcotics Program¹. CI's overall Direct Investigative Time (DIT) applied to narcotics investigations for FY 2025 was 11.18 percent of the agency's total DIT.

The methodology for computing the resources appropriated and realized for the Narcotics Program is the application of DIT attributable to narcotics investigations. The Narcotics DIT percentage is applied to the total realized appropriated resources for a year, excluding reimbursable and Earned Income Tax Credit (EITC) funds, for which the resources are being reported. The result is determined to be the amount of resources expended on the Narcotics Program. This methodology was approved by CI, the IRS Chief Financial Officer, and the Office of National Drug Control Policy (ONDCP) during FY 2014 and was effective for FY 2014 and all subsequent fiscal years.

¹ The IRS-CI Narcotics Program consists of five sub-programs that include: 1. Organized Crime Drug Enforcement Task Forces (OCDETF)/Homeland Security Task Force (HSTF)*; 2. High Intensity Drug Trafficking Area (HIDTA); 3. HIDTA-OCDETF/HSTF; 4. Terrorism-OCDETF/HSTF; and 5. Narcotics-Other.

*On July 25, 2025, OCDETF transferred all cases and task forces to the Homeland Security Task Forces in accordance with Deputy Attorney General (DAG) Blanche's memorandum on July 23, 2025, titled Transitioning Organized Crime Drug Enforcement Task Forces (OCDETF) Resources for Homeland Security Task Forces (HSTF).

(3) Methodology Modifications

No changes or modifications in the DIT computation methodology from the prior year were made.

(4) Material Weaknesses or Other Findings

No material weaknesses or other findings by independent sources, or other known weaknesses have been identified.

(5) Reprogramming or Transfers

No reprogramming or transfers were made.

(6) Other Disclosures

No disclosures to report.

b. Assertions

(1) Obligations by Budget Decision Unit

Obligations reported by the Budget Decision Unit are a result of applying DIT data derived from Criminal Investigation's Management Information System (CIMIS) to the actual obligations from the CI realized Financial Plan, excluding reimbursables and EITC funds.

(2) Drug Methodology

The current methodology used to calculate obligations of prior-year budgetary resources has not changed. The drug methodology used is reasonable and accurate.

a) Data

Data is derived from CIMIS to determine the DIT applied to CI's Narcotics Program. Each CI special agent submits CIMIS time reports monthly detailing their activities relating to specific investigations. Each investigation is associated with a specific program and sub-program area. The percentage of DIT applied to each program area is calculated monthly with a final annual percentage determined after the close of the fiscal year to determine the total resources expended to support the U.S. Government's National Drug Control Strategy. The annual percentage of DIT relating to all narcotics sub-programs is applied to the total resources expended for FY 2025 in the CI Appropriated Enforcement Budget (excluding reimbursables and EITC funds).

b) Financial Systems

The IRS Integrated Financial System (IFS) is the final authority for the IRS resource obligations and yields data which fairly presents drug related obligation estimates.

(3) Application of Drug Methodology

The methodology disclosed in this section was the actual methodology used to generate the required table and meets all requirements described in Section 7a (2) of the ONDCP Circular: National Drug Control Program Agency Compliance Reviews. Calculations made using this methodology are sufficiently documented to independently reproduce all data and ensure consistency between reporting years.

(4) Material Weakness or Other Findings

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

(5) Methodology Modifications

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

(6) Reprogramming or Transfers

The data presented is associated with obligations against a financial plan and properly reflects any revisions occurring during the fiscal year.

(7) Fund Control Notices

Criminal Investigation asserts the data presented is associated with obligations against a financial plan that fully complied with all fund control notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular: Budget Execution, as applicable.

Appendix III

Abbreviations

CI	Criminal Investigation
IRS	Internal Revenue Service
ONDCP	Office of the National Drug Control Policy
TIGTA	Treasury Inspector General for Tax Administration



**To report fraud, waste, or abuse,
contact our hotline on the web at
<https://www.tigta.gov/reportcrime-misconduct>.**

**To make suggestions to improve IRS policies, processes, or systems
affecting taxpayers, contact us at www.tigta.gov/form/suggestions.**

Information you provide is confidential, and you may remain anonymous.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

May 8, 2026

MEMORANDUM FOR RAHUL GUPTA, DIRECTOR

FROM: William Sessions
Deputy Assistant Secretary for Management & Budget

William T. Sessions III
Digitally signed by William T. Sessions III
Date: 2026.05.08 14:41:16 -04'00'

SUBJECT: FY 2027 OFAC Budget Formulation Compliance Report and Detailed Accounting Report

This memorandum provides the OFAC FY 2027 Budget Formulation Compliance Report, which is required in the ONDCP Circular: National Drug Control Program Agency Compliance Reviews, 9 September 2021.

I assert that:

- Treasury's Departmental Offices' bureau budget office previously provided an OFAC FY 2027 Summer Drug Budget to ONDCP, and is provided in Attachment A.
- OFAC did not submit its FY 2027 budget request to ONDCP at the same time it submitted its request to OFAC's parent organization, the Office of Terrorism and Financial Intelligence (TFI). OFAC is neither a bureau nor an agency; it is an office within TFI. TFI is an office within Treasury's Departmental Offices' bureau. Treasury's Departmental Offices' bureau's budget office did not provide ONDCP OFAC's FY 2027 budget request the same day they received it from TFI. However, it was submitted to ONDCP during the period that OMB was reviewing Agency FY 2027 submissions.
- OFAC's FY 2027 Summer Drug Budget Request represents the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.

Additionally, OFAC's Detailed Accounting Report is included in Attachment B and the Inspector General Authentication Exemption Request is included in Attachment C.

If you have any questions, please contact Erica Pearson at Erica.Pearson@Treasury.gov.

ATTACHMENTS

- A. FY 2027 Summer Budget Resource Summary Table
- B. Detailed Accounting Report
- C. Inspector General Authentication Exemption Request



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

Attachment A: FY 2027 Summer Budget Resource Summary Table

DEPARTMENT OF THE TREASURY
The Office of Foreign Assets Control

Resource Summary

	Budget Authority (in millions)		
	FY 2025 Enacted	FY 2026 President's Budget	FY 2027 Summer Budget
Drug Resources by Decision Unit			
Salaries and Expenses	\$1.863	\$1.863	
Total Drug Resources by Decision Unit	\$1.863	\$1.863	
Drug Resources Personnel Summary			
Total FTEs (direct only)	9	9	



Attachment B: Detailed Accounting Report

OFAC Detailed Accounting Report

A. Drug Control Funding Obligations

1. Prior Year (FY 2025) Drug Control Obligations

	Budget Amounts (in Millions)		Difference
	FY 2025 Authority	FY 2025 Obligations	
Drug Resources by Decision Unit and Function			
OFAC	\$1.863	\$1.648	\$0.215
Total Drug Resources by Decision Unit and Function	\$1.863	\$1.648	\$0.215

2. Drug Methodology

OFAC assessed the number of FTEs working on drug-related matters as a total of 9 full-time positions. When the FY 2025 budget was formulated, the employees' salaries filling those nine positions were used to derive the \$1.863 million estimate. The obligations amount was derived by pulling the actual FY 2025 labor costs from the financial system for the employees filling the nine drug-related positions working on drug-related matters.

3. Methodology Modifications

No methodology modifications were made.

4. Material Weaknesses or Other Findings

Treasury is not aware of any material weaknesses or other findings.

5. Reprogramming or Transfers

No official reprogramming or transfers occurred during FY 2025 as OFAC's drug control budget is within its overall budget amount and not controlled separately.

6. Other Disclosures

Treasury does not have any other disclosures.

B. Assertions

1. Obligations by Budget Decision Unit

Treasury asserts that obligations reported by budget decision unit are the actual obligations derived from the bureau's financial reports and are consistent with the application of the above methodology, as required by ONDCP Circular: *Budget*



Formulation, Section 7, for calculating drug control funding against the bureau's accounting system of record for these Budget Decision Units.

2. Drug Methodology

Treasury asserts that the obligations reported by budget decision unit are accurate and follow the methodology outlined in the previous section.

- a) **Data** – The data reported is based on the above methodology and financial reporting actuals for the identified employees filling the nine full-time positions that OFAC has identified as drug-control related.
- b) **Financial Systems** – OFAC pulls the obligations data reported above from a data download report from the bureau's budget office (Assistant Secretary for Management, Office of Financial Management). The bureau's budget office pulls this data directly from the bureau's official financial reporting system.

3. Application of Drug Methodology

Treasury asserts that the methodology described above was the actual methodology used to produce the obligations amount. OFAC has specified which positions are drug-control related and pulls the actual labor costs for the employees filling those positions from the financial system in order to produce the obligations amount.

4. Material Weaknesses or Other Findings

Treasury asserts that no material weaknesses or other findings have been reported.

5. Methodology Modifications

No methodology modifications were made.

6. Reprogramming or Transfers

Treasury asserts that no reprogramming or transfers took place during FY 2025.

7. Fund Control Notices

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



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

Attachment C: Inspector General Authentication Exemption Request

May 8, 2026

Scott Chronister
Director, Interagency Budget Division
Office of Performance and Budget
Office of National Drug Control Policy
Washington, DC 20500

Mr. Chronister,

Treasury, Office of Foreign Assets Control (OFAC) requests an exemption under the ONDCP Circular: National Drug Compliance Control Program Agency Compliance Review dated September 9, 2021. Under Section 8 (d) of this Circular, the Unreasonable Burden Exception states that "An agency or bureau in the National Drug Control Budget with prior year drug-related obligations of less than \$50 million may request an exemption from the Inspector General Authentication review required by Section 8." OFAC has not had an OIG review, however, OFAC's FY 2025 drug-related actual obligations were \$1.648 million, which is below the \$50 million threshold for exemption.

OFAC understands that it will still be required to report under Section 6 and 7 of the Circular, as well as provide budget formulation information to ONDCP.

Should you have any questions or concerns, please contact me at William.Sessions@Treasury.gov, or Erica Pearson at Erica.Pearson@Treasury.gov.

Regards,

William T. Sessions III
Digitally signed by William T. Sessions III
Date: 2026.05.08 14:41:47 -04'00'

William Sessions
Deputy Assistant Secretary for Management & Budget
U.S. Department of the Treasury



UNITED STATES POSTAL INSPECTION SERVICE

CONTRABAND INTERDICTION & INVESTIGATIONS

MEMORANDUM TO: Director Sara Carter
Office of National Drug Control Policy

FROM: Sean F. McStravick
Inspector in Charge
United States Postal Inspection Service

DATE: April 8, 2026

SUBJECT: United States Postal Inspection Service
Detailed Accounting Compliance Report for FY 2025

Drug Control Funding Obligations

FY 2025 Funding by Decision Unit (\$ millions)		
Decision Unit	FY 2025 Budget Authority	FY 2025 Obligations
CI2 Personnel Expenses	\$62,565,000	\$62,565,000
Asset Forfeiture Fund Expenditures	\$90,000	\$90,000
CI2 Nonpersonnel Expenses	\$850,000	\$850,000
CI2 Operating Expenses	\$6,639,000	\$6,639,000
CI2 Capital Expenses	\$992,000	\$992,000
Total	\$71,136,000	\$71,136,000

FY 2025 Funding by Drug Control Function (\$ millions)		
Decision Unit	FY 2025 Budget Authority	FY 2025 Obligations
Investigations	\$71,136,000	\$71,136,000

Drug Methodology

The U.S. Postal Inspection Service estimates the total number of work hours related to counter-drug efforts based on an assessment of total hours within the last two fiscal years. The estimated funding is level based on the amount of work hours, CI2 operating expenses, CI2 capital expenses, Asset Forfeiture Fund expenditures, and CI2 nonpersonnel expenses.

Methodology Modifications

N/A

Material Weaknesses or Other Findings

N/A

Reprogrammings or Transfers

N/A

Other Disclosures

N/A

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

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are actual expenditures from the United States Postal Inspection Service (USPIS) financial accounting system for the Contraband Interdiction & Investigations (CI2) program. As a non-appropriated agency within the federal government, the Inspection Service bases its performance budget as an estimate compared to previous fiscal years.

Drug Methodology

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

Application of Drug Methodology

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

Material Weakness or Other Findings

I assert that all material weaknesses or other findings by independent sources, or other known weaknesses, including those identified in the Agency's Annual Statement of Assurance, which

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

Methodology Modifications

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

Reprogramming or Transfers

I assert that the data presented are associated with obligations for USPIS CI2 financial plan. USPIS has no reportable reprogramming's or transfers in FY 2025 related to drug-control obligations.

Fund Control Notices

I assert that the data presented are associated with obligations against USPIS CI2's operating plan, which complied fully with all Fund Control Notices issued by the Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, Budget Execution.



UNITED STATES POSTAL INSPECTION SERVICE
CONTRABAND INTERDICTION & INVESTIGATIONS

MEMORANDUM TO: Director Sara Carter
Office of National Drug Control Policy

FROM: Sean F. McStravick Sean F.
Inspector in Charge McStravick Digitally signed by Sean F.
United States Postal Inspection Service Date: 2026.04.13 18:42:15
-04'00'

DATE: April 8, 2026

SUBJECT: United States Postal Inspection Service
Budget Formulation Compliance Report for FY 2027

Summer Budget Request

Below is a copy of the funding tables submitted to ONDCP under ONDCP Circular: Budget Formulation, Section 9.a.(2):

USPIS Resource Summary				
	FY2024 (Actual)	FY2025 (Actual)*	FY2026 (Estimate)*	FY2027 (Estimate)*
CI2 Personnel Expenses	\$59,094,692	\$62,565,146	\$62,565,146	
Asset Forfeiture Fund Expenditures	\$3,999,230	\$89,622	\$400,000	
CI2 Nonpersonnel Expenses	\$633,616	\$849,896	\$849,896	
CI2 Operating Expenses	\$5,542,649	\$6,639,219	\$6,639,219	
CI2 Capital Expenses	\$0	\$992,012	\$0	
	\$69,270,187	\$71,135,895	\$70,454,261	
* *FY2026 to FY2027 sums are based on spending amounts from FY 2025 to establish a baseline for costs related to drug investigations, except for Asset Forfeiture Fund expenditures, and CI2 Capital Expenses. In FY25 CI2's AFF expenses were related to the INIA conference but the group is planning to hold a CI2 summit in FY26 which accounts for the additional funding estimates in FYs 26-27. In				

FY25 CI2 purchased 29 additional TruNarc units. There is no plan to purchase units in FY26 but additional units are planned for later FYs.
--

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

Timeliness of Summer Budget Submission

I assert that the summer drug budget was submitted on July 23, 2025, to ONDCP in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) and was provided to ONDCP at the same time as the budget request was submitted to our superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

As a non-appropriated agency within the federal government, I assert that the funding submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the U.S. Postal Inspection Service without alteration or adjustment by any official within the U.S. Postal Inspection Service.

DEPARTMENT OF VETERANS AFFAIRS

Veterans Health Administration (VHA)

Detailed Accounting Report

(Part 7, ONDCP Circular: National Drug Control Program Agency Compliance Reviews)

A. Drug Control Funding Obligations

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

	FY 2025	
	Enacted ^{1/}	Obligated
Drug Resources by Budget Decision Unit and Function:		
Decision Unit #1 Medical Care		
Treatment (in millions)	\$1,372.073	\$1,199.718
Total, Decision Unit #1	\$1,372.073	\$1,199.718
Decision Unit #2 Medical and Prosthetic Research		
Research and Development (in millions)	\$29.000	\$31.176
Total, Decision Unit #2	\$29.000	\$31.176
Total Funding (in millions)	\$1,401.073	\$1,230.894
Drug Resource Personnel Summary		
Total FTEs (direct Only)	3,340	3,278
Drug Resources as a Percent of the Budget		
Total Agency Budget (in billions) ^{2/}	\$146.2	\$146.5
Drug Resources Percentage	1.0%	0.8%

1/ Reflects the Current Estimate from the 2026 President's Budget.

2/ Includes VHA Medical Care appropriations, Medical and Prosthetic Research appropriation, and their respective shares of the Cost of War Toxic Exposures Fund appropriation.

2. Drug Methodology

Medical Care: The Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function displaying obligations and FTE (Full-Time Equivalent) for substance use disorder (SUD) treatment in VHA are based on specific patient encounters. The specific patient encounters include all inpatient and outpatient episodes of care either provided by VHA staff or purchased in the community. The source data for VHA inpatient care is the Patient Treatment File (PTF). For outpatient care, the National Patient Care Database Encounter file (SEFILE) is the source. For contract care, either the PTF or the hospital payment file are used. For contract care, the sources include the PTF, the Veterans Health Information Systems and Technology Architecture (Vista) payment file, and the Community Care Reimbursement System (CCRS) and Electronic Claims Adjudication Management System (eCAMS) payment files from the Corporate Data Warehouse (CDW).

All patient encounters have an associated diagnosis. The primary diagnosis is considered the reason the patient is being treated and is used to determine whether the treatment provided is a substance use disorder treatment and which type of substance use disorder. A list of the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5) and International Statistical Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) Diagnosis groups used for substance use disorders are shown in the following table:

Diagnosis Code	Description (DSM-5 and ICD-10-CM)
F11xx	Opioid Related Disorders
F12xx	Cannabis Related Disorders
F13xx	Sedative Hypnotic/Anxiolytic Related Disorders
F14xx	Cocaine Related Disorders
F15xx	Other Stimulant Related Disorders
F16xx	Hallucinogen Related Disorders
F19xx	Other Psychoactive Substance Related Disorders

It should be noted that prescriptions and lab tests do not have linkages to a specific diagnosis and are not included in the report.

The cost of VHA provided services is calculated by the Managerial Cost Accounting (MCA) System of the Department of Veterans Affairs (VA). MCA cost data is used at all levels of the VA for important functions, such as cost recovery (that is, billing) and budgeting. VA MCA data is also used to calculate and measure the productivity of physicians and other care providers.

The basic unit of MCA cost is the product. For VHA, a product can range from a prescription fill made through a mail-out pharmacy, to an outpatient dental exam, to a bed-day of care in an Intensive Care Unit. Every product that is delivered is fully costed. This cost includes all direct labor, direct supply, and associated indirect costs (that is, local and national overhead costs). Once they are fully costed, products are then assigned to the applicable patient encounter.

The VHA Office of Finance Allocation Resource Center's (ARC) Patient Workload and Costing datasets are the basis for the obligations displayed in this report. The ARC develops outpatient encounter and inpatient discharge/census level cost by assigning direct care and indirect costs from MCA cost datasets to the in-house provided clinical workload. Certain non-patient specific costs, such as Operating costs for Headquarters, Veterans Integrated Service Network (VISN) Support, National Programs, and Capital and State Home costs are removed in the ARC Costing process. The ARC's Patient Workload and Costing datasets also include workload generated in the community and payments made for that care.

For budget purposes, ARC costs are transformed into obligations to account for the entire VHA Budget. It is a multi-step methodology that is implemented to compute obligations.

- The ARC costs are divided into their appropriations using cost centers identified in their Monthly Program Cost Report (MPCR), which is a clinical workload and MCA Account

Level Budget (ALB) based report that accounts for expenditures recorded in the VHA financial system.

- A facility specific ratio of obligations to ARC cost for non-capital costs is created and multiplied by the expenditures to create medical center specific obligations.
- Assign the medical center capital obligations to VHA services proportional to cost.
- Aggregate the national overhead obligations by cost center into their appropriations and assign them to patient services proportional to cost.
- Balance the final obligations nationally to the Standard Form 133: Report on Budget Execution total proportionately.

The following FY 2025 Medical Care Specialized Treatment Costs table was prepared in accordance with the following ONDCP circulars (a) National Drug Control Program Agency Compliance Reviews dated September 9, 2021, (b) Budget Formulation, dated September 9, 2021, and (c) Budget Execution, dated September 9, 2021. In accordance with the guidance provided in the Office of National Drug Control Policy's letter of September 7, 2004, VA's methodology only incorporates Specialized Treatment costs. Further, in accordance with guidance provided in the Office of National Drug Control Policy's FY 2012 certification letter of November 24, 2010, incorporates Specialized Treatment costs regardless of setting.

FY 2025 Medical Care Specialized Treatment Costs (Dollars in Millions)^{1/}

Specialized Treatment	VHA Direct Care Obligations	VHA Community Care Obligations	Total Obligations	FTE
Inpatient	\$280.810	\$96.523	\$377.333	848
Outpatient	\$410.212	\$49.110	\$459.322	1,187
Residential Rehabilitation & Treatment ^{2/}	\$363.062	\$0.000	\$363.062	1,243
Total	\$1,054.085	\$145.633	\$1,199.718	3,278

1/ Numbers may not add due to rounding.

2/ Community care payment files do not have a reliable identifier to categorize Residential Rehab Treatment provided in the community.

VA does not track obligations by ONDCP function. In the absence of such capability, obligations by specialized treatment costs have been furnished, as indicated.

Medical and Prosthetic Research: The Table of Prior Year Drug Control Obligations by Decision Unit and Drug Control Function displaying obligations reflect the budget for addiction research recorded in VA's Research Allocation Forecasting System (RAFT) used for planning and budgeting. Medical and Prosthetic Research budget supports all addiction research, both prevention and treatment, including alcohol and tobacco.

Specialized Function	Obligations (in Millions)	FTE
Research & Development	\$31.176	N/A

3. Methodology Modifications

No modifications from the previous year.

4. Material Weaknesses or Other Findings

Kearney provided an unmodified opinion on VA's financial statements for FY 2025. An unmodified opinion means that the financial statements as of and for the year ended September 30, 2025, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States. Kearney did, however, note material weaknesses and significant deficiencies in internal control and instances of noncompliance with applicable laws.

Regarding internal control, Kearney identified two Material Weaknesses. The two material weaknesses concern: 1) information technology and 2) internal use software. Kearney also identified three significant deficiencies. The three significant deficiencies concern: 1) loan guarantee liability; 2) service organization monitoring and complementary user entity controls; and 3) medical service revenue and accounts receivable.

Regarding noncompliance with applicable laws and regulations, Kearney reported 1) VA's financial management systems did not comply substantially with requirements of section 803 of the Federal Financial Management Improvement Act of 1996, Public Law 104-208, Title VIII, 31 U.S.C. §3512 note related to federal financial management system requirements and the application of the United States Standard General Ledger at the transaction level; and 2) noncompliance with the Federal Managers' Financial Integrity Act of 1982, Public Law 97-255, 31 U.S.C. § 3512.

5. Reprogrammings or Transfers

There were no reprogramming of funds or transfers that adjusted drug control-related funding because drug control expenditures are reported based on patients served in various VA clinical settings for specialized substance abuse treatment programs.

6. Other Disclosures

This budget accounts for drug control-related costs for VHA Medical Care and Research. It does not include all drug-related costs for the agency. VA incurs costs related to accounting and security of narcotics and other controlled substances and costs of law enforcement related to illegal drug activity; however, these costs are assumed to be relatively small and would not have a material effect on the reported costs.

B. Assertions

1. Obligations by Budget Decision Unit

VHA asserts that the obligations reported by budget decision unit are the actual obligations from VA's accounting system and are consistent with the application of the approved methodology as required by ONDCP Circular, Budget Formulation, dated September 9, 2021.

2. Drug Methodology

VHA asserts that the methodology used to calculate FY 2025 drug control obligations by function and budget decision unit is reasonable and accurate based on the criteria set forth in the ONDCP Circular, Budget Formulation, dated September 9, 2021.

- a) Data – The data was used in accordance with the methodology described in the 2. *Drug Methodology* section. It was workload based and available at the time the actuals in table A.1 were computed.
- b) Financial Systems – The 2. *Drug Methodology* section describes the financial systems relationship to the decision units reported to ONDCP.

3. Application of Methodology

VHA asserts the methodology described in Section A.2 above was used to prepare the obligations contained in Section A.1.

4. Material Weaknesses or Other Findings

VHA asserts that all material weaknesses or finding by independent sources, or other known weaknesses have been disclosed.

5. Methodology Modifications

VHA asserts no modifications were made to methodology for reporting drug control resources.

6. Reprogrammings or Transfers

VHA asserts no changes were made to VA's Financial Plan that required ONDCP approval per the ONDCP Circular, Budget Execution, dated September 9, 2021.

7. Fund Control Notices

The data presented are associated with obligations against a financial plan that was based upon a methodology in accordance with all Fund Control Notices issued by the Director under 21 U.S.C. §1703 (f) and Section 9 of the ONDCP Circular, Budget Execution, dated September 9, 2021.

HEATHER FORD

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Heather Ford
Chief Financial Officer
VHA Office of Finance

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Andrea Brian
Associate CFO, Budget Formulation
VHA Office of Finance

DEPARTMENT OF VETERANS AFFAIRS

Veterans Health Administration (VHA)

Budget Formulation Compliance Report for Fiscal Year Ending September 30, 2025
(Part 6, ONDCP Circular: National Drug Control Program Agency Compliance Reviews)

A. Summer Budget Formulation Information

1. Summer Budget Transmittal – Summer drug budget was submitted to ONDCP on August 11, 2025 in accordance with ONDCP Circular, Budget Formulation, Section 9.a (1), dated September 9, 2021.

2. Summer Drug Budget Resource Summary Table

Resource Summary

Budget Authority (in Millions)				
	FY 2024 Actual	FY 2025 Enacted	FY 2026 President's Budget ²	FY 2027 Summer Budget ³
Drug Resources by Budget Decision Unit				
Medical Care	\$1,326.956	\$1,372.073	\$1,426.956	\$1,482.607
Medical & Prosthetic Research	\$31.680	\$29.000	\$27.000	\$22.000
Total Funding	\$1,358.636	\$1,401.073	\$1,453.956	\$1,504.607
Drug Resources by Budget Function ¹				
Treatment	\$1,326.956	\$1,372.073	\$1,426.956	\$1,482.607
Research and Development	\$31.680	\$29.000	\$27.000	\$22.000
Total Funding	\$1,358.636	\$1,401.073	\$1,453.956	\$1,504.607

Drug Resources Personnel Summary				
Total FTEs (Medical Care - direct only)	3,340	3,340	3,340	3,340
Total FTEs (Research - direct only)	-	-	-	-
Drug Resources as a Percent of Budget				
Total Agency Budget (in billions)	\$141.2	\$146.2	\$170.7	\$184.9
Drug Resources Percentage	1.0%	1.0%	0.9%	0.8%

¹The Department of Veterans Affairs (VA) does not have a discrete Office of National Drug Control Policy (ONDCP) appropriation. VA forecasts obligations anticipated to support substance use disorder treatment programs for Veterans, including opioid use disorder treatment programs.

²Fiscal Years (FYs) 2025-2026 ONDCP estimates are consistent with the FY 2026 ONDCP Annual Budget Submission. FY 2025-2026 ONDCP estimates will be updated based on FY 2025 Actuals for the FY 2025 Detailed Accounting Submission.

³Agency Budget for FY 2027 includes the Toxic Exposures Fund (TEF) mandatory appropriations for Medical Care and Medical and Prosthetic Research (MPR) and the mandatory appropriation provided by section 707 of the PACT Act for Medical Care. Agency budget estimates are not final and are subject to change following the budget/appropriation process.

B. Assertions

1. **Timeliness of Summer Budget Submission.** VHA asserts that the FY 2027 summer drug budget was submitted to ONDCP on the date provided in Section A.1 based on the criteria set forth in the ONDCP Circular, Budget Formulation, dated September 9, 2021 and was provided to ONDCP at the same time as the budget request was submitted to superiors in accordance with 21 U.S.C. § 1703(c)(1)(A). VHA affirms the accuracy of the summer budget submission contained in the transmittal email from the Department to ONDCP.
2. **Funding Levels Represent Bureau-Level Request.** VHA asserts that the funding request in the submission provided in A.2 represents the funding levels in the budget submission made by VHA to the Department without alteration or adjustment by any official at the department.

HEATHER FORD

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Date: 2026.04.23 07:57:45 -04'00'

Heather Ford
Chief Financial Officer
VHA Office of Finance

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Andrea Brian
Associate CFO, Budget Formulation
VHA Office of Finance