



U.S. Department of Agriculture
Office of Inspector General



Rural Development's Performance Measures Associated with the 2022 National Drug Control Strategy

Inspection Report 09801-0001-24

At the request of ONDCP, OIG reviewed RD's contributions to the National Drug Control Strategy.

OBJECTIVES

Our objectives were to: (1) identify RD's performance measures related to the *Strategy*; (2) determine whether the data reported by RD accurately represent program performance; and (3) evaluate RD's progress and results implementing the *Strategy*.

REVIEWED

We assessed program data and reviewed applicable laws, regulations, and *Strategy* documentation. We reviewed records and performed site visits relevant to sampled DLT projects that are related to the *Strategy*.

RECOMMENDS

We are not making any recommendations in this report.

WHAT OIG FOUND

Rural Development (RD) submits information to the Office of National Drug Control Policy (ONDCP) which is included in the National Drug Control Assessment (*Assessment*); however, RD is not ultimately responsible for the publication of the *Assessment*. Therefore, we are not issuing any recommendations to RD. The following paragraphs provide our observations regarding RD's implementation of the National Drug Control Strategy (*Strategy*).

We determined that RD reported on one *Strategy*-related performance measure in the annual ONDCP *Assessment*. Specifically, RD reported the number of obligated Distance Learning and Telemedicine (DLT) grants that support the treatment and/or prevention of substance use disorder (SUD). We also determined that RD was authorized to prioritize Community Facilities (CF) projects that relate to SUD. However, the *Assessments* did not include a performance measure for CF projects. Further coordination between RD and ONDCP may be warranted to determine: (1) the need for a CF performance measure; and (2) whether project-specific information should be included within *Assessment* reporting to provide greater transparency.

Furthermore, in ONDCP's June 2023 *Assessment*, RD's performance measure results included all DLT grants relating to opioids and SUD instead of only including grants that were obligated with DLT SUD set aside funds. RD addressed this by only reporting DLT SUD grants in the May 2024 *Assessment*. In addition, RD did not revise its actual performance measure results in subsequent year's *Assessment* reporting when obligated grants from previous fiscal years were rescinded due to project cancellations. Further coordination between RD and ONDCP may be warranted to determine whether information about rescinded grants should be updated within *Assessment* reporting.

Finally, RD obligated more than \$28.5 million to 56 DLT SUD grants with set aside funds in fiscal years 2021 through 2023. We sampled six grants totaling more than \$4.1 million. We determined that because each grant included a goal, objective, or benefit that involved SUD, the grants could support the treatment and/or prevention of SUD.

We met with RD officials who generally agreed with the information and conclusions that are presented in this report.



OFFICE OF INSPECTOR GENERAL

United States Department of Agriculture



DATE: November 27, 2024

INSPECTION

NUMBER: 09801-0001-24

TO: Andrew Berke
Administrator
Rural Utilities Service

ATTN: Terence McGhee
Acting Chief Risk Officer
Office of the Chief Risk Officer
Rural Development

FROM: Janet Sorensen
Assistant Inspector General for Audit

JANET
SORENSEN

Digitally signed by JANET
SORENSEN
Date: 2024.11.27
09:46:11 -0800

SUBJECT: Rural Development's Performance Measures Associated with the 2022 National Drug Control Strategy

This report presents the results of our inspection of Rural Development's Performance Measures Associated with the 2022 National Drug Control Strategy. Your written response to the official draft is included in its entirety at the end of the report. We did not issue Rural Development any recommendations in this report. No further response is necessary.

We appreciate the courtesies and cooperation extended to us by members of your staff during our fieldwork and subsequent discussions. This report contains publicly available information and will be posted in its entirety to our website (<https://usdaoig.oversight.gov>) in the near future.

Table of Contents

Background and Objectives	1
Objective 1: RD's Performance Measures Related to the <i>Strategy</i>	3
Objective 2: Accuracy of RD's Reported Performance	5
Objective 3: RD's Implementation of the <i>Strategy</i>	7
Scope and Methodology	9
Abbreviations	10
Agency's Response	11

Background and Objectives

Background Since 1999, drug overdoses have grown exponentially across the United States, with approximately 1 million people dying from an overdose between 1999 and 2022. To control this epidemic, the Biden Administration created the National Drug Control Strategy (*Strategy*) in 2022 and assigned oversight responsibility to the Office of National Drug Control Policy (ONDCP). ONDCP is a component of the Executive Office of the President that advises the President on drug control issues and coordinates drug control activities.¹ ONDCP is permitted to request assistance from National Drug Control Program Agency (NDCPA) Offices of Inspectors General (OIGs) in conducting audits and evaluations.²

ONDCP's *Strategy*-related responsibilities include evaluating the effectiveness of program objectives and implementation at both the national level and program-level performance measures for each NDCPA. See Figure 1 below:³

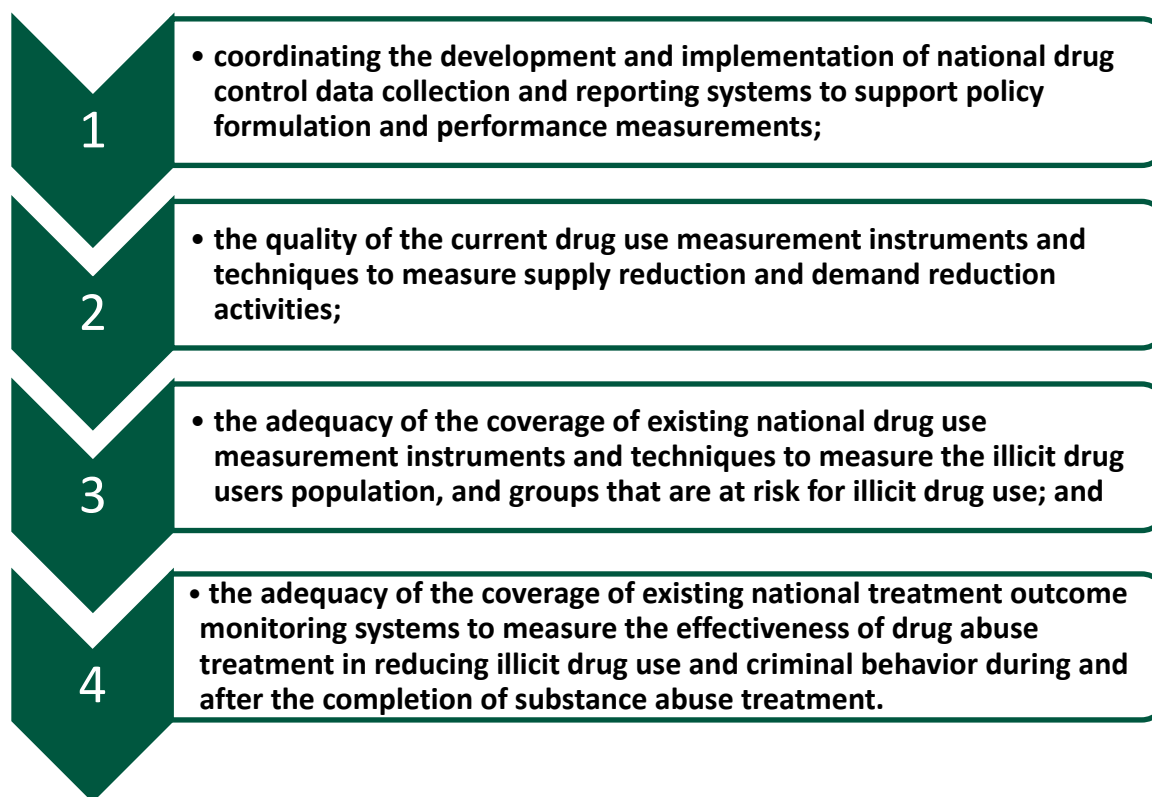


Figure 1: Summary of ONDCP's oversight responsibilities. Figure by OIG.

¹ 21 U.S.C. §1702.

² 21 U.S.C. § 1703.

³ 21 U.S.C. § 1705.

NDCPAs are agencies that are responsible for implementing any aspect of the *Strategy*.⁴ NDCPAs are required to submit an annual report to ONDCP to demonstrate their progress toward achieving each goal, objective, and target contained in the *Strategy*. ONDCP combines NDCPA performance measure results into an overall annual National Drug Control Assessment (*Assessment*). The June 2023 and May 2024 *Assessments* included the results for the two previous fiscal years (FYs).⁵

The United States Department of Agriculture (USDA) is an NDCPA. Specifically, Rural Development's (RD) Distance Learning and Telemedicine (DLT) program has received substance use disorder (SUD) funding that began with the Agricultural Improvement Act of 2018 (Act). The Act authorized RD to make available not less than 20 percent of amounts made available through DLT grants for SUD.⁶ The set aside funding amounted to \$11.4 million annually for FY 2021 through FY 2023, for a total of \$34.2 million. DLT funding is available until expended. In a letter dated February 27, 2024, ONDCP requested that USDA OIG conduct a review of DLT's performance measures associated with the *Strategy*. We address specific aspects of this request in the three objective sections that follow.

Objectives

Our objectives were to review specific aspects of RD's contributions to the *Strategy*, as requested by ONDCP. Specifically, we addressed the following:

1. Identify RD's performance measures related to the *Strategy*;
2. Determine whether the data reported by RD accurately represents program performance; and
3. Evaluate RD's progress and results implementing the *Strategy*.

⁴ This includes any agency that receives Federal funds to implement any aspect of the *Strategy* but does not include any agency that receives funds for drug control activity solely under the National Intelligence Program or the Joint Military Intelligence Program.

⁵ The June 2023 *Assessment* included FY 2021 and FY 2022 performance measure results. The May 2024 *Assessment* included FY 2022 and FY 2023 performance measure results.

⁶ Agricultural Improvement Act of 2018, Pub. L. 115-334, 132 Stat. 4726.

Objective 1: RD's Performance Measures Related to the *Strategy*

We determined that RD had one *Strategy*-related performance measure – the number of DLT-funded grants that support the treatment/prevention of SUD. We also determined that RD was authorized to prioritize Community Facilities (CF) projects that relate to SUD. However, the *Assessments* did not include a performance measure for CF projects. Further coordination between RD and ONDCP may be warranted regarding the need for an additional performance measure and whether project-specific information should be included within the agency's *Assessment* reporting.

The *Strategy* seeks to build the foundation for the Nation's work to reduce drug overdose deaths by addressing both the demand and supply sides of drug policy. This includes building a stronger SUD treatment infrastructure and reducing the supply of illicit substances. ONDCP is required to submit an annual *Assessment* that reports on each NDCPA's effectiveness in achieving the *Strategy*, including whether the applicable performance measures were met.⁷ RD's relevant Performance Review System (PRS)⁸ performance measure goal is to reduce illicit substance use in the United States. According to the *Assessment*, RD had two objectives: (1) reduce the number of drug overdose deaths by 13 percent by 2025; and (2) reduce the percentage of people meeting the criteria for substance abuse drugs by 25 percent by 2025.

The *Assessments* included two RD programs, DLT and CF direct loans and grants, as being relevant to the *Strategy*. RD's contribution to the *Strategy* derived from the Act. Specifically, the Act authorized RD to set aside not less than 20 percent of the funds made available for DLT to projects that provide SUD treatment services.⁹ The Act also directed RD to provide priority to entities eligible for CF direct loans and grants that: (1) develop facilities to provide SUD prevention, treatment services and recovery services; and (2) employ staff that have appropriate expertise and training in how to identify and treat individuals with SUDs.¹⁰

RD's FY 2021 through FY 2023 performance measure in ONDCP's *Assessments* was the number of funded DLT grants that supported the treatment and/or prevention of SUD – but did not include a performance measure for CF. We discussed the lack of a CF performance measure with ONDCP and ONDCP stated it expects USDA to provide performance data and add a performance measure for the program. Unlike DLT, CF did not have any funds set aside specifically for SUD; therefore, an RD official said they preferred not including a performance measure for CF projects. The official further stated that, while applicants who intend to provide SUD services – should any such applications get submitted – would receive priority points during the ranking process, these applicants must compete for funding against all other CF applications. Therefore, even if RD received CF applications that intend to address SUD, there is

⁷ 21 U.S.C. § 1705.

⁸ The PRS focused on the progress toward achieving the overall goals and objectives of the *Strategy*; it detailed the progress made on the objectives, and the specific 2-year and 5-year targets that needed to be met in order to accomplish the *Strategy*'s long-term quantifiable goals.

⁹ Agricultural Improvement Act of 2018, Pub. L. 115-334, 132 Stat. 4726.

¹⁰ *Id.*

no guarantee that these types of applications would receive funding which could make it challenging to have a performance measure similar to what RD has for DLT SUD.

The *Assessment* also included information such as when funding notices were published and how much funding was obligated. We reviewed other publicly available documentation released by RD to identify information that was relevant to the *Strategy* that ONDCP and RD can consider including in the *Assessment*. We noted that RD regularly presented examples of recent progress where individual projects are highlighted in the USDA Budget Explanatory Notes.¹¹ RD published information such as funding amounts, goals, objectives, and benefits of the highlighted projects. When we spoke to an RD official about including DLT and CF project-specific information within the *Assessment*, the RD official agreed that including a few examples would not be difficult.

We recognize that RD submits information to ONDCP which is included in the *Assessments*; however, RD is not ultimately responsible for the publication of this report. Therefore, we are not issuing any recommendations to RD. However, further coordination between RD and ONDCP may be warranted to determine: (1) the need for a CF performance measure; and (2) whether project-specific information should be included within *Assessment* reporting to provide greater transparency.

¹¹ USDA, 2022 USDA Explanatory Notes—Rural Utilities Service, 33-60, 33-61, and 33-63. USDA, 2023 USDA Explanatory Notes—Rural Utilities Service, 34-55, 34-58, and 34-59.

Objective 2: Accuracy of RD's Reported Performance

RD provides its *Assessment* performance measure results on an annual basis to ONDCP. However, RD did not revise its actual performance measure results in subsequent year's *Assessment* reporting when obligated grants from previous FYs were fully rescinded due to project cancellations. Further coordination between RD and ONDCP may be warranted to determine whether information about rescinded grants should be updated within *Assessment* reporting.

RD provides its annual performance measure results to ONDCP to demonstrate how the DLT program contributes to the achievement of the goals and objectives of the *Strategy*. RD stated DLT SUD data is pulled using key word searches such as substance abuse, drugs, opioids, and type of assistance code within its information technology systems to determine its performance measure results.

In ONDCP's June 2023 *Assessment*, RD reported that 57 FY 2021, and 2 FY 2022 grants were obligated with DLT SUD set aside funds. However, according to RD officials, these performance measure results included all DLT grants relating to opioids and SUD instead of only including grants that were obligated with DLT SUD set aside funds. Therefore, RD should have reported 31 grants obligated under DLT SUD set aside funds for FY 2021 and 1 obligated grant for FY 2022. RD informed ONDCP about the reason for these differences and addressed this by only reporting DLT SUD grants in the May 2024 *Assessment*. Specifically, RD reported 1 FY 2022 and 33 FY 2023 DLT SUD grants in the May 2024 *Assessment*.

We also determined that RD did not adjust the performance measure results if grants were subsequently fully rescinded.¹² Specifically, 6 of the 31 FY 2021 grants were fully rescinded during FY 2021 and FY 2022; however, the June 2023 *Assessment* included these rescinded grants in the performance measure results. If RD continues reporting rescinded grants to ONDCP as obligated grants, its FY 2023 performance measure results will include three grants that were fully rescinded during FY 2024. See Figure 2 below.

¹² A rescinded grant is an award that has been terminated by either the grant recipient or the Federal agency that awarded the grant. However, by law, DLT funds are available until expended. Therefore, funds associated with rescinded grants are still available to RD when awarding future grants.

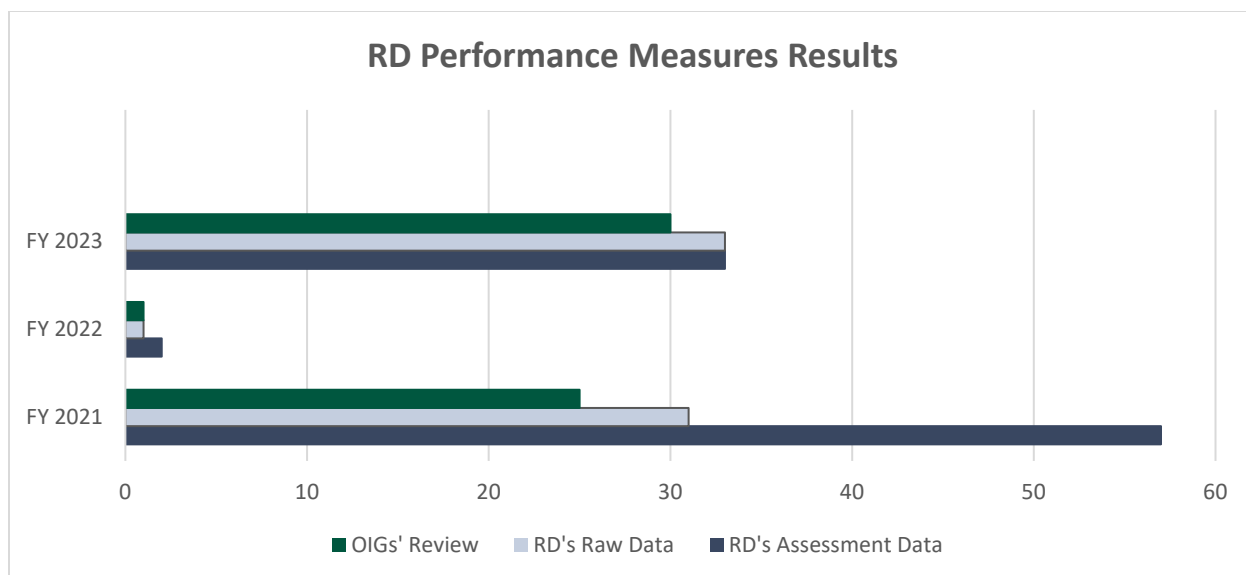


Figure 2: RD's performance measure results for FYs 2021 through 2023. Figure by OIG.

When we spoke to RD officials about the actual performance measure results reported to ONDCP, they agreed that reducing the performance measure results to exclude rescinded grants in future *Assessments* could be achieved, but it would involve a conversation with ONDCP due to the reporting being a snapshot in time.

We recognize that RD submits information to ONDCP which is included in the *Assessments*; however, RD is not ultimately responsible for the publication of this report. Therefore, we are not issuing any recommendations to RD. However, further coordination between RD and ONDCP may be warranted to determine whether information about rescinded grant results should be updated within *Assessment* reporting.

Objective 3: RD's Implementation of the *Strategy*

RD obligated more than \$28.5 million to 56 DLT SUD grants with set aside funds in FYs 2021 through 2023. To evaluate RD's progress towards implementing the *Strategy*, we non-statistically sampled six grants which were chosen randomly. RD obligated more than \$4.1 million to the six sampled grants. We determined that all six of the sampled grants could support the treatment and/or prevention of SUD.

Application Review

We reviewed grant applications for our six sampled grants. The obligated funds for these grants were to be used to purchase telemedicine equipment, carts, monitors, video conferencing equipment, computers, tablets, and cameras. We determined that because each grant included a goal, objective, or benefit that involved SUD, the grants could support the treatment and/or prevention of SUD. For example, grant applications discussed:

- aiming to reduce the morbidity and mortality that is associated with SUD in rural communities via tele-behavioral health services;
- increasing the availability of substance abuse preventative education and counseling services to reduce the morbidity and mortality associated with SUD; and
- providing substance abuse treatment, intervention, and management, as well as beginning to address unmet medical needs, including opioids and substance abuse.

Site Visits

We selected three of the six sampled grants to perform site visits and observe grant implementation. We visited 14 sites associated with 2 sampled grants where recipients reported that work had been completed. During our visits, we met with recipient representatives; observed equipment that was purchased with grant funding; and observed working demonstrations of equipment.

For the first grant recipient, we visited 10 sites in July 2024 and observed telemedicine, distance learning, and video conferencing equipment. We also observed a total of 11 laptops and 4 tablets that had never been used, which grant recipient representatives attributed to a lack of staffing. Furthermore, six telemedicine carts were rendered unusable due to software licenses that had expired in December 2023. However, the recipient identified an alternative solution during our visit that allowed for the use of the telemedicine carts without software licenses. In addition to our observations, the recipient provided statistics showing that equipment purchased with grant funds was used to conduct over 1,700 telehealth sessions between June 1, 2022, through December 31, 2023.

For the second grant, we visited four sites in July 2024 and observed telemedicine, telecounseling, distance learning, and video conferencing equipment. The grant recipient disclosed that two telemedicine carts had never been used; however, a grant recipient representative stated that a new contractor had been hired and planned on using this equipment in

the future. In addition to our observations, the recipient provided the following statistics regarding the use of the equipment:

- More than 150 telecounseling sessions were conducted from 2023 to 2024;
- Approximately 190 individuals completed drug prevention programs;
- More than 270 individuals attended a workshop that included a substance use presentation; and
- More than 180 individuals have participated in virtual learning.

The third grant recipient had not begun expending grant funding as of June 2024; so, we did not visit them. A representative for this recipient stated that they were in the process of purchasing equipment for delivery to six sites by August 2024. This recipient has until December 8, 2024, to complete performance on this grant.

The application review and site visits sections provide information on how DLT recipients implemented SUD-related grants. The examples provided demonstrate the progress being made on DLT SUD grants. Therefore, we are not issuing any recommendations to RD.

Scope and Methodology

Our inspection covered RD's *Strategy*-related activities in FY 2021 through FY 2023. During this period, RD obligated more than \$28.5 million to 56 DLT grants that support the treatment and/or prevention of SUD. We performed fieldwork from April 2024 through October 2024. We interviewed RD officials remotely and made site visits to two grant recipients in Georgia and Kentucky. We discussed our results with RD on October 29, 2024, and included agency management's comments, as appropriate.

To identify RD's performance measures related to the *Strategy*, we reviewed the Act and ONDCP *Assessments*. We also interviewed RD officials responsible for *Strategy*-related activities within the agency.

To determine whether the data reported by RD accurately represented program performance, we first identified the total grants reported in the *Assessment*. We interviewed RD officials to gain an understanding of the existence, relationship, impact, and extent of the information system. Then, we obtained grant data from RD to compare with the performance measure results reported in ONDCP's *Assessments*. We evaluated the reliability of data by: (1) interviewing agency officials knowledgeable about RD's information system used to gather data for DLT grants; (2) reviewing existing published information about the data; and (3) verifying the number of grants that were selected under DLT SUD, obligated DLT SUD funds, or fully rescinded after selection. Based on our analysis and discussions with agency officials, we concluded that information within the system could be accurate or complete (see Objective 2). Therefore, we determined that the data were sufficiently reliable for the purposes of this report.

We non-statistically sampled six DLT grants to evaluate RD's progress toward implementing the *Strategy*.¹³ Specifically, we obtained and reviewed application records and performed site visits to observe the progress of sampled grants. In total, these six grants had been obligated more than \$4.1 million.

We conducted this inspection in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our inspection objectives.

¹³ For each of the 56 grants in the universe, we identified whether the purpose was educational or medical. We then generated random numbers and selected the three grants within both categories with the lowest random numbers. Overall, we selected six grants for review.

Abbreviations

Act.....	Agriculture Improvement Act of 2018
<i>Assessment</i>	National Drug Control Assessment
CF.....	Community Facilities
DLT.....	Distance Learning and Telemedicine
FY	fiscal year
NDCPA.....	National Drug Control Program Agency
OIG	Office of Inspector General
ONDCP	Office of National Drug Control Policy
PRS	Performance Review System
<i>Strategy</i>	National Drug Control Strategy
SUD.....	substance use disorder
U.S.C.....	United States Code
USDA.....	United States Department of Agriculture
RD	Rural Development

**Rural Development
Response to Inspection Report**



Rural Development

November 20, 2024

Innovation Center

1400 Independence
Ave SW, Room 6138
Stop 0793
Washington, DC
20250

Voice 202.690.0036

INSPECTION NUMBER: 09801-0001-24

TO: Janet Sorensen
Assistant Inspector General for Audit
Office of Inspector General

FROM: Jacqueline Ponti-Lazaruk

Chief Innovation Officer
Rural Development

SUBJECT: Response to OIG Report on Rural Development's Performance
Measures Associated with the 2022 National Drug Control Strategy,
09801-001-24

Thank you for the opportunity to review and respond to USDA's Office of the Inspector General (OIG) Report 09801-0001-24, "Rural Development's Performance Measures Associated with the 2022 National Drug Control Strategy". USDA Rural Development takes seriously its responsibility as a National Drug Control Program Agency and appreciates the opportunity to review our National Drug Control Assessment Performance Measure with the OIG at the Office of National Drug Control Policy's (ONDCP) request. USDA Rural Development also appreciates the efforts of the team conducting the examination for their thoroughness and their dedication to understanding a complex process. On behalf of USDA Rural Development and with the concurrence of the Rural Utilities Service Administrator Andy Berke, I submit the following comments, corrections, and suggested edits for consideration.

1. In paragraph 4, sentence 3 of the Section on Objective 1, USDA Rural Development suggests the sentence be edited to read:

"Unlike DLT, the CF program was not authorized to set-aside funding specifically for SUD and as an RD official explained, the reasoning for not including a performance measure for CF projects is that prioritization can only make projects submitted for the program more competitive, but the projects must still compete against other types of projects."

Explanation: In developing the USDA Rural Development performance measure with ONDCP, the Agency discussed the measures that it would have the ability to influence or control and determined that performance measures made most sense where funding was set-aside for Substance Use Disorder (SUD) related projects. For a program like Community Facilities, USDA Rural Development is reliant on

USDA is an equal opportunity provider, employer, and lender.

not only receiving applications for such projects but also applications that can be competitive against other types of projects. As a result, USDA Rural Development would not be able to make a reasonable estimate of the number of projects funded in any given year. USDA Rural Development can discuss with ONDCP whether this approach continues to be reasonable based on current program authorization.

2. In paragraph 2, sentence 2 of the Section on Objective 2, USDA Rural Development suggests the sentence be edited and an additional sentence 3 be added as follows:

“RD stated that since FY23, DLT SUD data for the DLT SUD Set-Aside is pulled using type of assistance codes within its information technology systems to determine its performance measure results. Additionally, using key word searches such as “substance abuse”, “drugs”, and “opioids”, RD determines what projects, if any, funded under the regular DLT program support SUD efforts. That information is included in the narrative of the submission for the National Drug Control Assessment as a point of interest but not as data for the performance measure.”

Explanation: The performance measure data is reported only by using the type of assistance code for the Distance Learning and Telemedicine (DLT) Set-Aside. In the narrative of the submission for the National Drug Control Assessment, USDA Rural Development also shares what, if any, number of additional projects are funded under the regular DLT program that support SUD related projects. This has been true starting with the FY23 performance reporting in response to the USDA OIG Attestation Report 85301-0001-11 advising Rural Development to limit reporting to the Substance Use Disorder DLT Set-Aside to comply with ONDCP’s Circular National Drug Control Program Agency Compliance Reviews. Prior to the FY23 performance reporting, USDA Rural Development had reported any DLT funded project that supported substance use disorder treatment, prevention or recovery using the key word searches identified in the text above along with the type of assistance codes.

Thank you for the opportunity to review this report. The edits provided above represent the factual information about USDA Rural Development’s performance reporting for the National Drug Control Assessment. If you have any questions, please direct inquiries regarding this response to Kellie Kubena, USDA Rural Health Liaison at kellie.kubena@usda.gov. We again thank your team for their professional conduct during this examination.

Learn more about USDA OIG
at <https://usdaoig.oversight.gov>
Find us on LinkedIn: US Department of
Agriculture OIG
Find us on X: @OIGUSDA

Report suspected wrongdoing in USDA programs:



<https://usdaoig.oversight.gov/hotline-information>

U.S. Department of Agriculture (USDA) is an equal opportunity provider, employer, and lender.

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

All photographs on the front and back covers are from
USDA Flickr and are in the public domain. They do not
depict any particular audit, inspection, or investigation.