



Review of the  
Federal Bureau of Prisons'  
Accounting of Drug Control Funding  
Fiscal Year 2025

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AUDIT DIVISION

26-016

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FEBRUARY 2026

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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**

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*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.

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*Loneryl Burns*

Loneryl Burns, Assistant Director

January 26, 2026

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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
<b>Drug Resources by Decision Unit and Function</b>			
<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	
<b>Total, Decision Unit</b>	<b>\$1,575.710</b>	<b>\$1,579.630</b>	
<i>Decision Unit Security/Management &amp; Administration</i>			
Corrections	\$1,932.720	\$2,160.040	
<b>Total, Decision Unit</b>	<b>\$1,932.720</b>	<b>\$2,160.040</b>	
<i>Decision Unit Contract Confinement</i>			
Corrections	\$191.770	\$200.110	
Treatment	\$164.650	\$145.810	
<b>Total, Decision Unit</b>	<b>\$356.420</b>	<b>\$345.920</b>	
<i>Decision Unit New Construction</i>			
Corrections	\$14.180	\$0.890	-
<b>Total, Decision Unit</b>	<b>\$14.180</b>	<b>\$0.890</b>	
<i>Decision Unit M&amp;R</i>			
Corrections	\$61.480	\$50.950	
<b>Total, Decision Unit</b>	<b>\$61.480</b>	<b>\$50.950</b>	
<b>Total Drug Funding</b>	<b>\$3,940.510</b>	<b>\$4,137.430</b>	
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	18,007	18,114	
<b>Drug Resources as a Percent of Budget</b>			
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*

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)**

	<b>FY 2025 Obligations</b>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Decision Unit #1: Inmate Care and Programs</b>	
Treatment	\$ 93.17
Corrections	1,447.26
Harm Reduction	0.90
<b>Total Inmate Care and Programs</b>	<b>\$ 1,541.33</b>
<b>Decision Unit #2: Security/Management and Administration</b>	
Correction	\$ 1,897.99
<b>Total Security/Management and Administration</b>	<b>\$ 1,897.99</b>
<b>Decision Unit #3: Contract Confinement</b>	
Treatment	\$ 84.21
Corrections	218.92
<b>Total Contract Confinement</b>	<b>\$ 303.13</b>
<b>Decision Unit #4: New Construction</b>	
Corrections	\$ 2.94
<b>Total New Construction</b>	<b>\$ 2.94</b>
<b>Decision Unit #4: Modernization and Repair</b>	
Corrections	\$ 56.30
<b>Total Modernization and Repair</b>	<b>\$ 56.30</b>
<b>Total Obligations</b>	<b>\$ 3,801.69</b>
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)**

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>Reprogramming</b>	<b>Transfers-in</b>	<b>Transfers-out</b>	<b>Total</b>
<b>Decision Unit #1: Inmate Care and Programs</b>				
Corrections	\$ -	\$ 35.56	\$ (35.56)	\$ -
<b>Total Inmate Care and Programs</b>	<b>\$ -</b>	<b>\$ 35.56</b>	<b>\$ (35.56)</b>	<b>\$ -</b>
<b>Decision Unit #2: Security/Management and Administration</b>				
Corrections	\$ -	\$ -	\$ -	\$ -
<b>Total Security/Management and Administration</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Decision Unit #3: Contract Confinement</b>				
Corrections	\$ -	\$ -	\$ -	\$ -
<b>Total Contract Confinement</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Funding</b>	<b>\$ -</b>	<b>\$ 35.56</b>	<b>\$ (35.56)</b>	<b>\$ -</b>
High-Intensity Drug Trafficking Area (HIDTA) Transfer	\$ -	\$ -	\$ -	\$ -
Organized Crime Drug Enforcement Task Force (OCDETF)	\$ -	\$ -	\$ -	\$ -