



Office of the Inspector General  
U.S. Department of Justice



# Reviews of the Annual Accounting of Drug Control Funds and Related Performance Fiscal Year 2015



# REVIEWS OF THE ANNUAL ACCOUNTING OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE FISCAL YEAR 2015

## EXECUTIVE SUMMARY

This report contains the attestation review reports of the U.S. Department of Justice's Assets Forfeiture Fund, Criminal Division, Drug Enforcement Administration, Federal Bureau of Prisons, Office of Justice Programs, Offices of the United States Attorneys, Organized Crime Drug Enforcement Task Forces Program, and United States Marshals Service's annual accounting of drug control funds and related performance for the fiscal year ended September 30, 2015. The Office of the Inspector General performed the attestation reviews. The report and annual detailed accounting of funds obligated by each drug control program agency are required by 21 U.S.C. §1704(d), as implemented by the Office of National Drug Control Policy Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. The Department of Justice components reviewed, reported approximately \$7.7 billion of drug control obligations and 23 related performance measures for fiscal year 2015.

The Office of the Inspector General prepared the attestation review reports in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination and, therefore, does not result in the expression of an opinion. We reported that nothing came to our attention that caused us to believe the submissions were not presented, in all material respects, in accordance with the requirements of the Office of National Drug Control Policy Circular, and as otherwise agreed to with the Office of National Drug Control Policy.

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**REVIEWS OF THE ANNUAL ACCOUNTING OF  
DRUG CONTROL FUNDS AND RELATED PERFORMANCE  
FISCAL YEAR 2015**

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**ASSETS FORFEITURE FUND**

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## Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Director  
Assets Forfeiture Management Staff  
U.S. Department of Justice

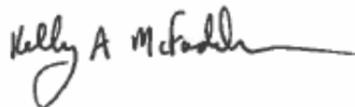
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Assets Forfeiture Fund (AFF) for the fiscal year ended September 30, 2015. The AFF's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the AFF prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of AFF management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Assets Forfeiture Fund  
Detailed Accounting Submission**

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**U.S. Department of Justice**  
Justice Management Division  
*Asset Forfeiture Management Staff*  
145 N St., N.E., Suite 5W.511  
Washington, D.C. 20530

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(202) 616-8000

**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Assets Forfeiture Fund (AFF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the AFF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by the AFF to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2015.
4. The AFF did not have any ONDCP Fund Control Notices issued in FY 2015.

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Kevin Arnwine,  
Assistant Director/Budget and Finance  
Asset Forfeiture Management Staff

1/15/16

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Date

**U.S. Department of Justice**  
**Assets Forfeiture Fund**  
**Detailed Accounting Submission**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2015**  
**(Dollars in Millions)**

<b>Drug Obligations by Budget Decision Unit and Function:</b>		<b>FY 2015</b>
<b>Decision Unit: Asset Forfeiture</b>		<b>Actual Obligations</b>
	Investigations	\$ 213.40
	State and Local Assistance	70.74
<b>Total Asset Forfeiture</b>		<b>\$ 284.14</b>
<b>Total Drug Control Obligations</b>		<b>\$ 284.14</b>

**U.S. Department of Justice  
Assets Forfeiture Fund  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The Assets Forfeiture Fund (AFF) was established to be a repository of the proceeds of forfeiture and to provide funding to cover the costs associated with forfeiture. These costs include, but are not limited to; seizing, evaluating, maintaining, protecting, and disposing of an asset. Public Law 102-393, referred to as the 1993 Treasury Appropriations Act, amended Title 28 U.S.C. 524(c), and enacted new authority for the AFF to pay for "overtime, travel, fuel, training, equipment, and other similar costs of state or local law enforcement officers that are incurred in a joint law enforcement operation with a Federal law enforcement agency participating in the Fund." Such cooperative efforts have significant potential to benefit Federal, state, and local law enforcement efforts. The Department of Justice supports state and local assistance through the allocation of Asset Forfeiture Program (AFP) monies, commonly referred to as Joint Law Enforcement Program Operations Expenses. All AFP funded drug investigative monies for the Drug Enforcement Administration (DEA) and Organized Crime Drug Enforcement Task Forces (OCDETF) are allocated in the following program operations expenses: Investigative Costs Leading to Seizure, Awards Based on Forfeiture, Contracts to Identify Assets, Special Contract Services, and Case Related Expenses. The funding provided for these particular program expenses are identified below and aid in the process of perfecting a forfeiture.

Investigative Costs Leading to Seizure – These expenses are for certain investigative techniques that are used for drug related seizures.

Awards Based on Forfeiture - These expenses are for the payment of awards for information or assistance leading to a civil or criminal forfeiture.

Contracts to Identify Assets - These expenses are incurred in the effort of identifying assets by accessing commercial database services. Also included in this section is the procurement of contractor assistance needed to trace the proceeds of crime into assets subject to forfeiture.

Special Contract Services - These expenses are for contract services that support services directly related to the processing, data entry, and accounting for forfeiture cases.

Case Related Expenses - These are expenses incurred in connection with normal forfeiture proceedings. They include fees, advertising costs, court reporting and deposition fees, expert witness fees, courtroom exhibit costs, travel, and subsistence costs related to a specific proceeding. If the case involves real property, the costs to retain attorneys or other specialists under state real property law are also covered. In addition, the Deputy Attorney General may approve expenses for retention of foreign counsel.

All AFF accounting information is derived from the Unified Financial Management System. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balance.

## Disclosure 2: Methodology Modifications

There have been no changes to the drug methodology from the previous year. The drug methodology disclosed has been consistently applied from prior years.

## Disclosure 3: Material Weaknesses or Other Findings

For the FY 2015 Financial Statements Audit, the Assets Forfeiture Fund (AFF)/Seized Asset Deposit Fund (SADF) received an unmodified audit opinion. The *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* noted a material weakness related to improvements needed in the AFF/SADF's financial reporting. Specifically, improvements are needed in the presentation of budgetary and forfeiture revenue information in the financial statements, data analysis and reconciliation, and incomplete information impacting revenue recognition. To mitigate this finding, steps will be taken such as a higher level management review of budgetary and proprietary information in the financial statements; periodic reconciliations between the Standard Form (SF) 132 *Apportionment Schedule*, SF 133 *Report on Budget Execution and Budgetary Resources* and the audited financial statements; and improved controls over data impacting revenue. This finding has an undetermined impact on the presentation of the AFF's drug-related budgetary resources and performance.

## Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers that affected drug-related budgetary resources.

**Assets Forfeiture Fund  
Performance Summary Report**

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(202) 616-8000

**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Assets Forfeiture Fund (AFF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the AFF system of performance reporting provides reasonable assurance that:

1. The AFF uses the Unified Financial Management System (UFMS) to capture performance information accurately and UFMS was properly applied to generate the performance data.
2. The AFF met the reported performance target for FY 2015.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. The AFF has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

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Kevin Arnwine  
Assistant Director/Budget and Finance  
Asset Forfeiture Management Staff

1/15/16

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Date

**U.S. Department of Justice  
Assets Forfeiture Fund  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

**Performance Measure: Achieve Effective Funds Control as Corroborated by an Unmodified Opinion on the Assets Forfeiture Fund and Seized Asset Deposit Fund Annual Financial Statements.**

The accomplishment of an unmodified audit opinion reflects favorably on the execution and oversight of the Assets Forfeiture Fund (AFF)/ and the Seized Asset Deposit Fund (SADF) by the Asset Forfeiture Management Staff and all the agencies that participate in the Department's Asset Forfeiture Program.

<b>Decision Unit:</b> Asset Forfeiture						
<b>Performance Report &amp; Target</b>						
<b>Performance Measure:</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>		<b>FY 2016</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>	<b>Target</b>
Achieve effective funds control as corroborated by an unmodified opinion on the AFF/SADF financial statements.	100%	100%	100%	100%	100%	100%

***Data Validation and Verification***

Due to the nature of this performance measure, the standard procedure is to undergo an extensive annual financial statements audit. The results of the audit will indicate if the measure has been met. An unmodified audit opinion will result in satisfying the performance measure; therefore a modified audit opinion (i.e., qualified, disclaimer, or adverse) would indicate that the performance measure has not been met.

**CRIMINAL DIVISION**

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## Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Assistant Attorney General  
Criminal Division  
U.S. Department of Justice

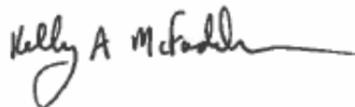
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Criminal Division (CRM) for the fiscal year ended September 30, 2015. The CRM's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the CRM prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of CRM management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden" followed by a long horizontal flourish.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Criminal Division  
Detailed Accounting Submission**

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U.S. Department of Justice

Criminal Division

Office of Administration

Washington, D.C. 20530

**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Criminal Division (CRM) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the CRM system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by the CRM to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2015.
4. CRM did not have any ONDCP Fund Control Notices issued in FY 2015.

\_\_\_\_\_  
Tracy Melton, Executive Officer

\_\_\_\_\_  
Date

<b>Drug Obligations by Budget Decision Unit and Function:</b>		<b>FY 2015</b>
	<b>Decision Unit: Enforcing Federal Criminal Laws</b>	<b>Actual Obligations</b>
	Prosecution	38.09
	<b>Total Enforcing Federal Criminal Laws</b>	<b>\$ 38.09</b>
	<b>Total Drug Control Obligations</b>	<b>\$ 38.09</b>

**U.S. Department of Justice  
Criminal Division  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The Criminal Division (CRM) develops, enforces, and supervises the application of all Federal criminal laws except those specifically assigned to other divisions. In executing its mission, the CRM dedicates specific resources in support of the National Drug Control Strategy that focus on disrupting domestic drug trafficking and production and strengthening international partnerships. The CRM's drug budget is the funding available for the Division's drug-related activities. The CRM Sections and Offices contributing to this budget are:

- Narcotic and Dangerous Drug Section (NDDS)
- Office of Enforcement Operations (OEO)
- Office of International Affairs (OIA)
- Organized Crime and Gang Section (OCGS)
- Capital Case Section (CCS)
- Computer Crimes and Intellectual Property Section (CCIPS)
- Human Rights and Special Prosecutions Section (HRSP)
- International Criminal Investigative Training Assistance Program (ICITAP)
- Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT)
- Appellate Section (APP)
- Asset Forfeiture and Money Laundering Section (AFMLS)
- Office of Policy and Legislation (OPL)

Since the CRM's accounting system, DOJ's Financial Management Information System 2 (FMIS2), does not track obligation and expenditure data by ONDCP's drug functions, the CRM's drug resources figures are derived by estimating the level of involvement of each Division component in drug-related activities. Each component is required to estimate the percentage of work/time that is spent addressing drug-related issues. This percentage is then applied against each component's overall resources to develop an estimate of resources dedicated to drug-related activities. Component totals are then aggregated to determine the Division total. For FY 2015, the Division's drug resources as a percentage of its overall actual obligations were 21.46%.

Data – All accounting information for the CRM is derived from DOJ's FMIS2.

Financial Systems – FMIS2 is DOJ's financial system that provides CRM with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure 2: Methodology Modifications

No modifications were made to the methodology from the prior year.

### Disclosure 3: Material Weaknesses or Other Findings

The Criminal Division is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2015, the OBDs were included in the Department of Justice (DOJ or the Department) consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2015 *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* revealed no material weaknesses.

Although no material weaknesses were noted in the FY 2015 OBDs audit report on internal controls, the auditors identified one significant deficiency related to inadequate financial statement preparation and review controls. The auditors identified several reporting errors that were similar and pervasive indicating the Department and certain components need to enhance their existing risk assessment processes to ensure transactions with a higher risk of error are adequately monitored and process-level controls are designed at a level of precision to identify significant errors. This finding, while not a material weakness, nor specifically directed to the Criminal Division, is being reported by Criminal Division as an "Other Finding" because it has an undetermined impact on the presentation of drug related obligations.

The DOJ Justice Management Division, Finance Staff concurred with the finding, and is currently working on a number of initiatives that will implement additional controls to increase the rigor and precision over financial reporting in the Department.

### Disclosure 4: Reprogrammings or Transfers

No reprogrammings or transfers occurred that affected the CRM's drug-related budgetary resources.

**Criminal Division  
Performance Summary Report**

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U.S. Department of Justice

Criminal Division

Office of Administration

Washington, D.C. 20530

**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Criminal Division (CRM) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the CRM system of performance reporting provides reasonable assurance that:

1. CRM uses the Automated Case Tracking System (ACTS), the Division's Performance Dashboard, the Mutual Legal Assistance Tracking System, and the Extradition Tracking System to capture performance information accurately and these systems were properly applied to generate the performance data.
2. Explanations offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets, or for revising or eliminating performance targets is reasonable.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. CRM has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Tracy Melton, Executive Officer

Date

**U.S. Department of Justice  
Criminal Division  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

**Performance Measure 1: Number of New Drug-Related Investigative Matters and Cases**

The Criminal Division’s Narcotic and Dangerous Drug Section (NDDS) investigates and prosecutes priority national and international drug trafficking groups, and other transnational criminal organizations. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies their new drug-related investigative matters and cases which is a measure of the work achieved by NDDS during a fiscal year.

<b>Number of New Drug-Related Investigative Matters and Cases</b>					
<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
55	75	61	45	21	27

In FY 2015, NDDS did not reach its target for 45 new drug-related investigative matters and cases. NDDS set its FY 2015 targets for new drug-related prosecutions and investigations based on historical trend analysis. At that time, NDDS did not anticipate facing 6 trials set for a four month period near the end of the fiscal year. In response to this change, NDDS took affirmative steps to delay new indictments and turned down investigations brought to the Section in order to properly staff and prepare for these trials. Those trials have been pushed into FY 2016, and projections have been adjusted downward as a result.

For FY 2016, NDDS’ target for the number of new drug-related investigative matters and cases is 27. This target was set based on historical trend analysis, in addition to the assumption of staffing and resources similar to FY 2015.

***Data Validation and Verification***

All investigative matters and cases are entered and tracked in the Division’s Automated Case Tracking System (ACTS). System and policy requirements for tracking litigation data in ACTS are captured in its manual. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs/Office Directors or their designee are required to validate in the Division’s Performance Dashboard confirming that their Section/Office’s ACTS performance data are valid. An email is sent from the system to the Division’s Executive Officer recording this validation.

## **Performance Measure 2: Number of OCDETF Title III Wiretaps Reviewed**

The Criminal Division’s Office of Enforcement Operations (OEO) is responsible for reviewing and approving all applications submitted by federal prosecutors to intercept wire, oral, and electronic communications to obtain evidence of crimes. A subset is applications relating to investigations and prosecutions of Organized Crime Drug Enforcement Task Force (OCDETF) cases. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies their number of OCDETF Title III wiretaps reviewed which is a measure of the drug-related Title III wiretap work achieved by OEO during a fiscal year.

<b>Number of OCDETF Title III Wiretaps Reviewed</b>					
<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target<sup>1</sup></b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
2,585	2,251	2,150	2,090	2,444	2,130

In FY 2015, OEO exceeded its target by 16%, reviewing 2,444 OCDETF Title III wiretaps. This workload is directly reactive to the number of incoming requests for OCDETF Title III approvals. The budgetary situation likely impacted law enforcement's ability to pursue greater numbers of Title III intercepts. The number of applications reviewed has increased substantially from FY 2014 despite the ongoing complexity of applications reviewed by OEO. OEO has successfully handled increasingly complex requests that raise novel legal issues and implicate the use of emerging technologies. In addition, OEO now works with USAOs to ensure they have put in place appropriate mitigation measures where the Title III applications identify public safety risks.

For FY 2016, OEO’s target for the number of OCDETF Title III wiretaps reviewed is 2,130. Even though the actual number for 2015 was greater than projected, the target for 2016 is based on changing technology and encryption and interception issues that could limit law enforcement’s ability to conduct Title III wiretaps in certain cases. The 2016 target is also set based on historical trend analysis, in addition to the assumption of staffing and resources similar to FY 2015.

### ***Data Validation and Verification***

The total number of OCDETF Title III wiretaps reviewed is entered each quarter in the Division’s Performance Dashboard. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs/Office Directors or their designee are required to validate in the Division’s Performance Dashboard confirming that their Section/Office's performance data are valid. An email is sent from the system to the Division’s Executive Officer.

<sup>1</sup> The FY 2015 target was revised from 2,130 to 2,090 after the FY 2014 Performance Summary Report was completed.

**Performance Measure 3: Number of Drug-Related Mutual Legal Assistance Treaties (MLAT) Requests Closed**

The Criminal Division’s Office of International Affairs (OIA) secures the return of fugitives from abroad and obtains from foreign countries evidence and other assistance (e.g., freezing of accounts and forfeiture of funds) needed in criminal investigations and prosecutions. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies their drug-related MLAT requests closed which is a measure of OIA’s drug-related work during a fiscal year.

<b>Number of Drug-Related Mutual Legal Assistance Treaties (MLAT) Requests Closed</b>					
<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
237	192	106	N/A	121	N/A

This measure cannot be targeted. This measure is a subset of an overall measure. The Division can target the entire measure but is not able to target any specific subset of the measure.

***Data Validation and Verification***

All MLAT requests are tracked in the Mutual Legal Assistance Tracking System, including the drug-related requests. The total MLAT requests closed is entered each quarter in the Division’s Performance Dashboard. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs/Office Directors or their designee are required to validate in the Division’s Performance Dashboard confirming that their Section/Office’s performance data are valid. An email is sent from the system to the Division’s Executive Officer.

**Performance Measure 4: Number of Drug-Related Extradition Requests Closed**

The Criminal Division’s Office of International Affairs (OIA) secures the return of fugitives from abroad and obtains from foreign countries evidence and other assistance (e.g., freezing of accounts and forfeiture of funds) needed in criminal investigations and prosecutions. These efforts support the National Drug Control Program activities: Disrupt Domestic Drug Trafficking and Production, and Strengthen International Partnerships. The Division quantifies their drug-related extradition requests closed which is a measure of OIA’s drug-related work during a fiscal year.

<b>Number of Drug-Related Extradition Requests Closed</b>					
<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
357	443	194	N/A	289	N/A

This measure cannot be targeted. This measure is a subset of an overall measure. The Division can target the entire measure but is not able to target any specific subset of the measure.

***Data Validation and Verification***

All extradition requests are tracked in the Extradition Tracking System, including the drug-related requests. The total extradition requests closed is entered each quarter in the Division's Performance Dashboard. The policy for data validation and verification is as follows: within ten business days following the close of the quarter, Sections Chiefs/Office Directors or their designee are required to validate in the Division's Performance Dashboard confirming that their Section/Office's performance data are valid. An email is sent from the system to the Division's Executive Officer.

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**DRUG ENFORCEMENT  
ADMINISTRATION**

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**Office of the Inspector General's Independent Report  
on Annual Accounting of Drug Control Funds  
and Related Performance**

Administrator  
Drug Enforcement Administration  
U.S. Department of Justice

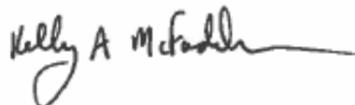
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Drug Enforcement Administration (DEA) for the fiscal year ended September 30, 2015. The DEA's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the DEA prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of DEA management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden" followed by a long horizontal flourish.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Drug Enforcement Administration  
Detailed Accounting Submission**

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**U. S. Department of Justice**  
**Drug Enforcement Administration**

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*www.dea.gov*

**Detailed Accounting Submission**  
**Management's Assertion Statement**  
**For Fiscal Year Ended September 30, 2015**

On the basis of the Drug Enforcement Administration's (DEA) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the DEA system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from the DEA's accounting system of record for these budget decision units.
2. The drug methodology used by the DEA to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources in excess of \$1 million.
5. DEA did not have any ONDCP Fund Control Notices issued in FY 2015.

  
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Jeffrey W. Sutton, Chief Financial Officer

*1/15/2016*  
\_\_\_\_\_  
Date

**U.S. Department of Justice  
Drug Enforcement Administration  
Detailed Accounting Submission  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2015  
(Dollars in Millions)**

<b>Drug Obligations by Budget Decision Unit and Function:</b>	<b>FY 2015</b>
<b>Diversion Control Fee Account</b>	<b>Actual Obligations</b>
Intelligence	\$ 6.86
Investigations	330.73
Prevention	0.03
<b>Total Diversion Control Fee Account</b>	<b>\$ 337.62</b>
<b>Decision Unit #1: International Enforcement</b>	
Intelligence	\$ 24.60
International	433.60
<b>Total International Enforcement</b>	<b>\$ 458.20</b>
<b>Decision Unit #2: Domestic Enforcement</b>	
Intelligence	\$ 167.26
Investigations	1,487.89
Prevention	1.70
<b>Total International Enforcement</b>	<b>\$ 1,656.85</b>
<b>State and Local Assistance</b>	
State and Local Assistance	\$ 16.99
<b>Total State and Local Assistance</b>	<b>\$ 16.99</b>
<b>Total Drug Control Obligations</b>	<b>\$ 2,469.66</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 17.19

**U.S. Department of Justice  
Drug Enforcement Administration  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The mission of the Drug Enforcement Administration (DEA) is to enforce the controlled substances laws and regulations of the United States and to bring to the criminal and civil justice system of the United States or any other competent jurisdiction, those organizations, and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets. In carrying out its mission, the DEA is the lead agency responsible for the development of the overall Federal drug enforcement strategy, programs, planning, and evaluation. The DEA's primary responsibilities include:

- Investigation and preparation for prosecution of major violators of controlled substances laws operating at interstate and international levels;
- Management of a national drug intelligence system in cooperation with Federal, state, local, and foreign officials to collect, analyze, and disseminate strategic and operational drug intelligence information;
- Seizure and forfeiture of assets derived from, traceable to, or intended to be used for illicit drug trafficking;
- Enforcement of the provisions of the Controlled Substances Act and the Chemical Diversion and Trafficking Act as they pertain to the manufacture, distribution, and dispensing of legally produced controlled substances and chemicals;
- Coordination and cooperation with Federal, state and local law enforcement officials on mutual drug enforcement efforts and enhancement of such efforts through exploitation of potential interstate and international investigations beyond local or limited Federal jurisdictions and resources;
- Coordination and cooperation with other Federal, state, and local agencies, and with foreign governments, in programs designed to reduce the availability of illicit abuse-type drugs on the United States market through non-enforcement methods such as crop eradication, crop substitution, and training of foreign officials;
- Responsibility, under the policy guidance of the Secretary of State and U.S. Ambassadors, for all programs associated with drug law enforcement counterparts in foreign countries;

- Liaison with the United Nations, Interpol, and other organizations on matters relating to international drug control programs; and
- Supporting and augmenting U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations, as well as the use of illicit drugs as barter for munitions to support terrorism.

The accompanying Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013 showing function and decision unit. The table represents obligations incurred by the DEA for drug control purposes and reflects one hundred percent of the DEA's mission.

Since the DEA's accounting system, the Unified Financial Management System (UFMS), does not track obligation and expenditure data by ONDCP's drug functions, the DEA uses Managerial Cost Accounting (MCA), a methodology approved by ONDCP to allocate obligations tracked in DEA's appropriated accounts and decision units to ONDCP's drug functions. The Salaries and Expense appropriated account is divided into three decision units, Domestic Enforcement, International Enforcement, and State and Local Assistance. The Diversion Control Fee Account (DCFA) is fee funded by Registrants and covers the full costs of DEA's Diversion Control Program's operations. Thus, the total DCFA cost is tracked and reported as a decision unit by itself to distinguish it from the appropriated 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.

The DEA Budget Decision Unit	Allocation	ONDCP Function
Diversion Control Fee Account	2.03%	Intelligence
	97.96%	Investigations
	0.01%	Prevention
Domestic Enforcement	89.80%	Investigations
	10.10%	Intelligence
	0.10%	Prevention
International Enforcement	94.63%	International
	5.37%	Intelligence
State and Local Assistance	100.00%	State and Local Assistance

Decision Units: One hundred percent of the DEA’s total obligations by decision unit are associated with drug enforcement. This total is reported and tracked in UFMS.

Full Time Equivalent (FTE): One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA’s Direct FTE total for FY 2015, including Salaries & Expenses (S&E) and Diversion Control Fee Account (DCFA) appropriations, was 7,943 through pay period 19, ending October 3, 2015.

Transfers and Reimbursements: High Intensity Drug Trafficking Area (HIDTA) transfers and reimbursable obligations are excluded from the DEA’s Table of Drug Control Obligations since they are reported by other sources.

Disclosure 2: Methodology Modification

The DEA’s method for tracking drug enforcement resources has not been modified from the method approved in FY 2005. The DEA uses current MCA data to allocate FY 2015 obligations from four decision units to ONDCP’s drug functions.

Disclosure 3: Material Weaknesses and Other Findings

For FY 2015, DEA was included in the Department of Justice (DOJ or the Department) consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ’s consolidated FY 2015 *Independent Auditors’ Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* revealed no material weaknesses.

Although no material weaknesses were noted in the DOJ’s FY 2015 Independent Auditors’ Report on Internal Control over Financial Reporting, the auditors identified one significant deficiency related to inadequate financial statement preparation and review controls. DEA contributed to this significant deficiency in the area of insufficient review of apportionment categories. Specifically, the Drug Enforcement Administration incorrectly accounted for and reported the apportionment status of \$260 million in budgetary resources apportioned for obligation in future years (known as Category C apportionments) in the Department’s draft FY 2015 Statement of Budgetary Resources.

These errors did not misstate the total budgetary resources of any individual component or of the Department.

The Department's Justice Management Division and DEA's management concurred with the finding, and are currently working on a number of initiatives that will implement additional controls to increase the rigor and precision over financial reporting in the Department. This finding, while not a material weakness is being reported by Office of Justice Programs as an "other finding" because it has an undetermined impact on the presentation of drug related obligations.

Also, in accordance with DOJ's FY 2015 Federal Manager's Financial Integrity Act (FMFIA) reporting requirements and the related FY 2015 OMB Circular A-123 assessments. No reportable conditions or material weaknesses in the design or operation of the controls and no system non-conformances are required to be reported.

#### Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings in FY 2015.

The DEA had several transfers during FY 2015 (see the attached Table of FY 2015 Reprogrammings and Transfers). There were two transfers from the Department of Justice (DOJ), Community Oriented Policing Services for a total amount of \$7,000,000 to DEA's S&E No-Year account. Two transfers from ONDCP's High Intensity Drug Trafficking Area program for a total amount of \$14,599,772. Spectrum AWS-3 transferred \$286,049,950 to DEA's No-Year account. There were six internal transfers from DEA's prior year unobligated balances to the No-Year account for a total amount of \$82,395,592. One transfer went out from DEA's FY 09/10 unobligated account balance to DOJ's Working Capital Fund in the amount of \$2,152,044.

Transfers under the Drug Resources by Function section in the Table of FY 2015 Reprogrammings and Transfers are based on the same MCA allocation percentages as the Table of Drug Control Obligations.

**U.S. Department of Justice  
Drug Enforcement Administration  
Detailed Accounting Submission  
Table of Reprogramings and Transfers  
For Fiscal Year September 30, 2015  
(Dollars in Millions)**

Drug Resources by Budget Decision Unit and Function:		Transfers-in	Transfers-out	Total
<b>Decision Unit #1: International Enforcement</b>				
	Intelligence	\$ 0.96	\$ (0.02)	\$ 0.94
	International	16.89	(0.44)	\$ 16.45
	<b>Total International Enforcement</b>	<b>\$ 17.85</b>	<b>\$ (0.46)</b>	<b>\$ 17.39</b>
<b>Decision Unit #2: Domestic Enforcement</b>				
	Intelligence	\$ 36.12	\$ (0.17)	\$ 35.95
	Investigations	321.11	(1.51)	\$ 319.60
	Prevention	0.36	(0.01)	\$ 0.35
	<b>Total Domestic Enforcement</b>	<b>\$ 357.59</b>	<b>\$ (1.69)</b>	<b>\$ 355.90</b>
<b>Total</b>		<b>\$ 375.44</b>	<b>\$ (2.15)</b>	<b>\$ 373.29</b>
	High-Intensity Drug Trafficking Area (HIDTA) Transfers	\$ 14.60		\$ 14.60

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**Drug Enforcement Administration  
Performance Summary Report**

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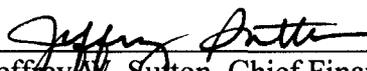
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**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Drug Enforcement Administration (DEA) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the DEA system of performance reporting provides reasonable assurance that:

1. DEA uses Priority Target Activity Resource Reporting System and Controlled Substance Act Database to capture performance information accurately and these systems were properly applied to generate the performance data.
2. Explanations offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets is reasonable.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. DEA has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

  
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Jeffrey W. Sutton, Chief Financial Officer

*1/15/2016*  
\_\_\_\_\_  
Date

**U.S. Department of Justice  
Drug Enforcement Administration  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

**Performance Measure 1: Number of Active International and Domestic PTOs Linked to CPOT Targets Disrupted or Dismantled**

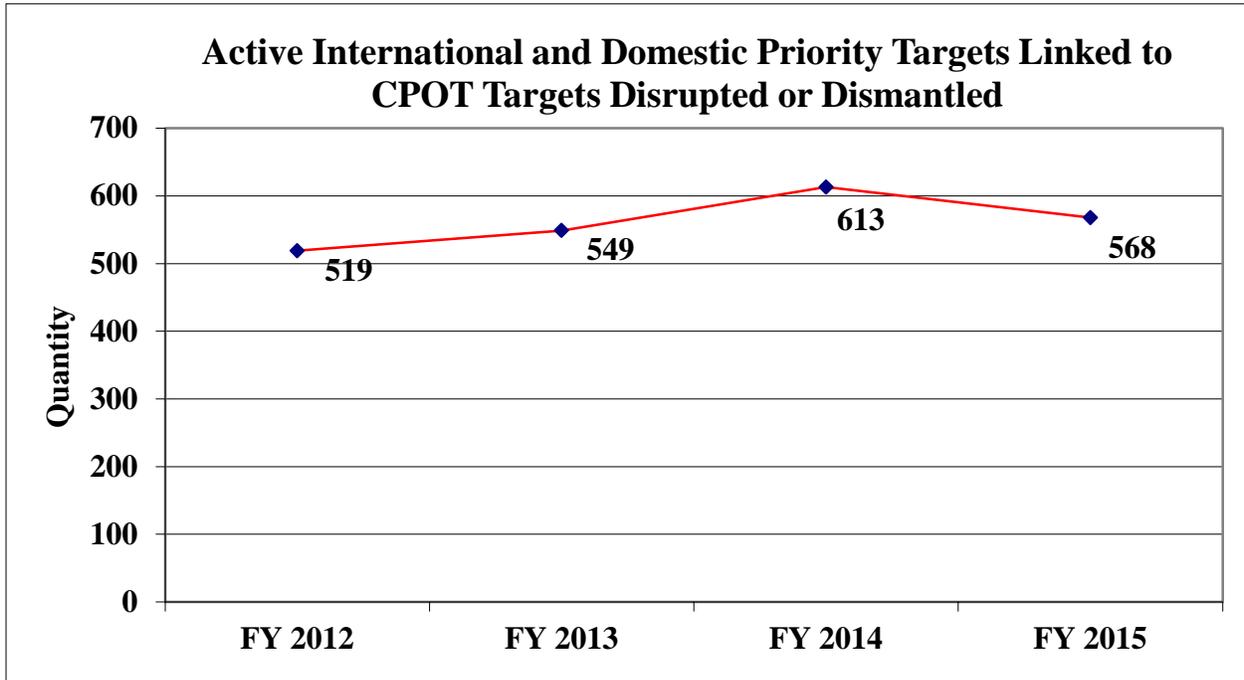
The Drug Enforcement Administration (DEA) is committed to bringing organizations involved in the growing, manufacturing, or distribution of controlled substances to the criminal and civil justice system of the U.S., or any other competent jurisdiction. To accomplish its mission, the DEA targets Priority Target Organizations (PTOs), which represent the major drug supply and money laundering organizations operating at the international, national, regional, and local levels that have a significant impact upon drug availability in the United States. Specifically, the DEA's PTO Program focuses on dismantling entire drug trafficking networks by targeting their leaders for arrest and prosecution, confiscating the profits that fund continuing drug operations, and eliminating international sources of supply. As entire drug trafficking networks from sources of supply to the distributors on the street are disrupted or dismantled, the availability of drugs within the United States will be reduced.

In its effort to target PTOs, the DEA is guided by key drug enforcement programs such as the Organized Crime Drug Enforcement Task Forces (OCDETF) program. The DEA, through the OCDETF program, targeted the drug trafficking organizations on the DOJ's FY 2015 Consolidated Priority Organization Target (CPOT) list – the "Most Wanted" drug trafficking and money laundering organizations believed to be primarily responsible for the Nation's illicit drug supply. The disruption or dismantlement of CPOT-linked organizations is primarily accomplished through multi-agency and multi-regional investigations directed by the DEA and the Federal Bureau of Investigation. These investigations focus on the development of intelligence-driven efforts to identify and target drug trafficking organizations that play a significant role in the production, transportation, distribution, and financial support of large scale drug trafficking operations. The DEA's ultimate objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible.

Since the PTO Program is the DEA's flagship initiative for meeting its enforcement goals, including the enforcement goals of DEA's Diversion Control Program (DCP), the performance measures associated with this program are the most appropriate for assessing the DEA's National Drug Control Program activities. The performance measure, active international and domestic priority targets linked to CPOT targets disrupted or dismantled is the same measure included in the National Drug Control Budget Summary. DEA's resources are presented in the Table of Drug Control Obligations in the international and domestic enforcement decision units and Diversion Control Fee Account. Reimbursable resources from the OCDETF program contributed to these performance measures, but are not responsible for specifically identifiable performance.

**Table 1: Measure 1**

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Actual	FY 2016 <sup>1</sup> Target
519	549	613	440	568	351



As of September 30, 2015, the DEA disrupted or dismantled 568 PTOs linked to CPOT targets, which is 29.1 percent above its FY 2015 target of 440. In the current budget environment, this performance is a testament to DEA’s commitment to DOJ’s CPOTs, which include the most significant international command and control organizations threatening the United States as identified by OCDETF member agencies.

In the first few years of the DEA's Priority Targeting Program, DEA repeatedly exceeded its annual targets for PTO disruptions<sup>2</sup> and dismantlements<sup>3</sup>. Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlements (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA

<sup>1</sup> Beginning FY 2016, DEA will no longer include Disrupted Pending Dismantled (Cat Code Ds) in our actual and target totals.

<sup>2</sup> A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

<sup>3</sup> A dismantlement occurs when the organization’s leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

This decision by DEA will restore tracking end-points (dates closed) uniformly across all PTO case work analyzed and reported. In turn, this will enhance DEA's ability to identify, categorize and evaluate the efficacy of its PTO investigations and their corresponding resource allocations. Also, limiting PTO case reporting to closed cases will result in efficiencies that augment statistical accuracy and as such, restore the ability to replicate reports now and into the future.

Due to this change, DEA is restating its year-end disruption and dismantlement statistics for fiscal years 2011-2015 in its budget submissions. Moreover, as a consequence of the aforementioned alignment, DEA has adjusted its FY 2016 target to 351 PTOs linked to CPOTs. The new target was determined using a five year average of prior year (FY 2011 – FY 2015) actuals.

### ***Data Validation and Verification***

PTOs identified by the DEA's domestic field divisions and foreign country offices are tracked using the *Priority Target Activity Resource Reporting System (PTARRS)*, an Oracle database used to track operational progress and the resources used in the related investigations (i.e., investigative work hours and direct case-related expenses). Through PTARRS, DEA assesses and links PTOs to drug trafficking networks, which address the entire continuum of the drug conspiracy. Once an investigation meets the criteria for a PTO, the investigation can be nominated as a PTO submission through PTARRS. PTARRS provides a means of electronically validating, verifying and approving PTOs through the chain of command, beginning with the case agent in the field and ending with the headquarters' Operations Division. The roles in the electronic approval chain are as follows:

#### *In the Field*

- Special Agent – The Special Agent, Task Force Officer, or Diversion Investigator collects data on lead cases that will be proposed as PTOs. They can create, edit, update, and propose a PTO record.
- Group Supervisor – The Group Supervisor/Country Attaché coordinates and plans the allocation of resources for a proposed PTO. The Group Supervisor/Country Attaché can create, edit, update, propose, resubmit, and approve a PTO record.
- Assistant Special Agent in Charge – The Assistant Special Agent in Charge /Assistant Regional Director reviews the PTO proposed and approved by the Group Supervisor/Country Attaché, ensuring that all the necessary information meets the criteria for a PTO. The Assistant Special Agent in Charge /Assistant Regional Director can also edit, update, resubmit, or approve a proposed PTO.
- Special Agent in Charge – The Special Agent in Charge /Regional Director reviews the proposed PTO from the Assistant Special Agent in Charge /Assistant Regional Director

and is the approving authority for the PTO. The Special Agent in Charge /Regional Director can also edit, update, resubmit, or approve a proposed PTO.

*At Headquarters*

- Operations Division (OC) – The Section Chief of the Data and Operational Accountability Section (OMD), or his designee, is the PTO Program Manager, and is responsible for the review of all newly approved PTO submissions and their assignment to the applicable Office of Global Enforcement (OG) or Office of Financial Operations (FO) section. The PTO Program Manager may request that incomplete submissions be returned to the field for correction and resubmission. OMD is also responsible for tracking and reporting information in the PTO Program through PTARRS; and is the main point-of-contact for the PTO program and PTARRS related questions.
- OMD will assign PTO's based on the nexus of the investigation to organizations located in specific geographic areas of the world, or to specific program areas. After assignment of a PTO, the appointed HQ section becomes the point-of-contact for that PTO and division/region personnel should advise appropriate HQ section personnel of all significant activities or requests for funding during the course of the investigation. The Staff Coordinator (SC) assigned to the PTO will initiate a validation process to include a review for completeness and confirmation of all related linkages (e.g., CPOTs). In the unlikely event that the documentation submitted is insufficient to validate reported linkages; the SC will coordinate with the submitting office to obtain the required information.
- All PTO cases that are reported as disrupted or dismantled must be validated by OMD or the Organized Crime Drug Enforcement Task Force – OCDETF Section (OMO). OMD will validate all non-OCDETF related PTO cases and OMO will validate all OCDETF related cases. These disruptions and dismantlements are reported to the Executive Office of OCDETF via memo by OMO.

**Performance Measure 2: Number of Active International and Domestic PTOs Not Linked to CPOT Targets Disrupted or Dismantled**

Although there is a primary emphasis on international and domestic PTOs linked to CPOT Targets, the PTOs not linked to CPOT targets disrupted or dismantled are just as important to DEA's mission. Specifically, the DEA's PTO Program focuses on dismantling entire drug trafficking networks by targeting their leaders for arrest and prosecution, confiscating the profits that fund continuing drug operations, and eliminating international sources of supply. As entire drug trafficking networks from sources of supply to the distributors on the street are disrupted or dismantled, the availability of drugs within the United States will be reduced. The performance measure, active international and domestic priority targets not linked to CPOT targets disrupted or dismantled, is the same measure included in the National Drug Control Budget Summary.

In the first few years of the DEA's Priority Targeting Program, DEA repeatedly exceeded its annual targets for PTO disruptions<sup>4</sup> and dismantlements<sup>5</sup>. Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlements (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

This decision by DEA will restore tracking end-points (dates closed) uniformly across all PTO case work analyzed and reported. In turn, this will enhance DEA's ability to identify, categorize and evaluate the efficacy of its PTO investigations and their corresponding resource allocations. Also, limiting PTO case reporting to closed cases will result in efficiencies that augment statistical accuracy and as such, restore the ability to replicate reports now and into the future.

Due to this change, DEA is restating its year-end disruption and dismantlement statistics for fiscal years 2011-2015 in its budget submissions. Moreover, as a consequence of the aforementioned alignment, DEA has adjusted its FY 2016 target to 1,590 PTOs not linked to CPOTs. The new target was determined using a five year average of prior year (FY 2011 – FY 2015) actuals.

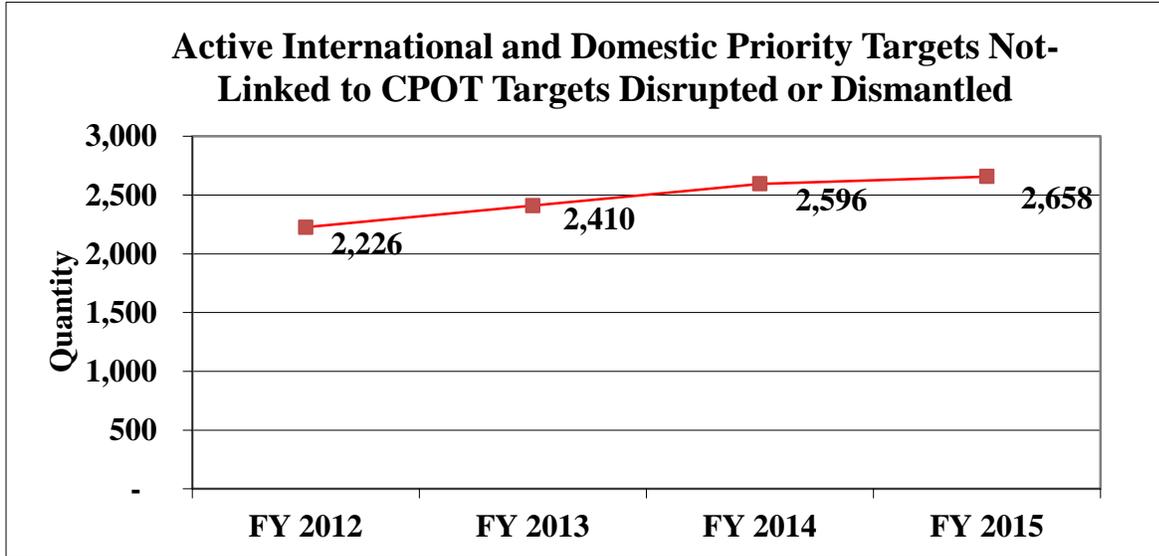
As of September 30, 2015, the DEA disrupted or dismantled 2,658 PTOs not linked to CPOT targets, which is 31.6 percent above its FY 2015 target of 2,020.

<sup>4</sup> A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

<sup>5</sup> A dismantlement occurs when the organization's leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

**Table 2: Measure 2**

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Actual	FY 2016 <sup>6</sup> Target
2,226	2,410	2,596	2,020	2,658	1,590



**Data Validation and Verification**

PTOs not linked to CPOT targets use the same data validation and verification and PTOs linked to CPOT targets. They are in the same system, PTARRS, and identified with a code of “NO” for not linked.

**Performance Measure 3: Number of DCP-related PTOs Disrupted/Dismantled**

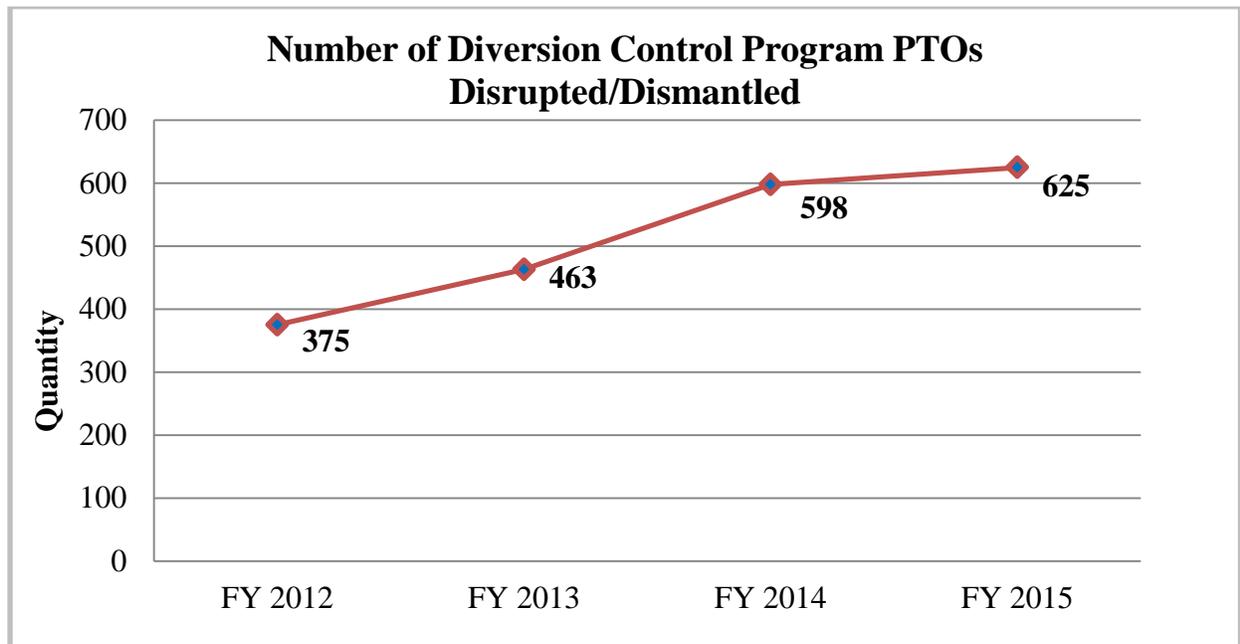
The Diversion Control Program (DCP) has been working diligently to address the growing problem of diversion and prescription drug abuse. Criminal entrepreneurs have, over the past few years, leveraged technology to advance their criminal schemes and reap huge profits while diverting millions of dosages of powerful pain relievers such as hydrocodone. One such method was the use of rogue Internet pharmacies. Investigations involving Internet pharmacies required the DEA to retool and retrain investigators. Most of these investigations involved several jurisdictions and involved voluminous amounts of electronic data. Compounding the problem was the fact that many of the laws under which investigators worked were written years prior to today’s technological advances.

<sup>6</sup> Beginning FY 2016, DEA will no longer include Disrupted Pending Dismantled (Cat Code Ds) in our actual and target totals.

The DEA also developed and implemented the Distributor Initiative Program designed to educate and remind registrants of their regulatory and legal responsibilities. This program has been very successful and has moved the pharmaceutical industry to install new and enhanced measures to address their responsibilities and due diligence as registrants. Despite these efforts the prescription drug abuse problem continues to be a major problem. Many state and local law enforcement agencies have devoted limited, if any resources, in the area of pharmaceutical diversion. To effectively attack this problem, the DEA, beginning in FY 2009, began establishing Tactical Diversion Squads (TDS) across the United States to tackle the growing problem of diversion and prescription drug abuse. These TDS groups, which incorporate Special Agents, Diversion Investigators and state and local Task Force Officers, have begun to show very successful investigations. Some of these investigations have resulted in multi-million dollar seizures. Beginning in FY 2011, DEA reported its DCP PTOs separately under the Diversion Control Fee Account. As a participant in the PTO program, the DCP is required to report PTOs linked to CPOT and not linked to CPOT. However, with the nature of the DCP, CPOT linkages are a rare event. Beginning in FY 2010, with the creation of Tactical Diversion Squads (TDS) in every domestic field division, the DCP began focusing on the identification of PTOs and their eventual disruption and dismantlement. As the DCP continues to work to fully staff its TDS groups, PTO performance is expected to increase.

**Table 3:** Measure 3

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Actual	FY 2016 Target
375	463	598	350	625	362



For FY 2015, the DEA disrupted or dismantled 625 DCP PTOs linked/not linked to CPOTs, which is 78.6 percent above its FY 2015 target of 350.

In the first few years of the DEA's Priority Targeting Program, DEA repeatedly exceeded its annual targets for PTO disruptions<sup>7</sup> and dismantlements<sup>8</sup>. Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlements (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

This decision by DEA will restore tracking end-points (dates closed) uniformly across all PTO case work analyzed and reported. In turn, this will enhance DEA's ability to identify, categorize and evaluate the efficacy of its PTO investigations and their corresponding resource allocations. Also, limiting PTO case reporting to closed cases will result in efficiencies that augment statistical accuracy and as such, restore the ability to replicate reports now and into the future.

Due to this change, DEA is restating its year-end disruption and dismantlement statistics for fiscal years 2011-2015 in its budget submissions. Moreover, as a consequence of the aforementioned alignment, DEA has adjusted its FY 2016 target to 362 PTOs linked to CPOTs. The new target was determined using a three year average of prior year (FY 2013 – FY 2015) actuals.

### ***Data Validation and Verification***

DCP PTOs use the same data validation and verification system as the domestic and international PTOs linked and not linked to CPOT targets. They are in the same system, PTARRS, and identified by a 2000 series case file number and certain fee fundable GEO – Drug Enforcement Program (GDEP) drug codes.

### **Performance Measure 4: Number of Administrative/Civil/Criminal Sanctions Imposed on Registrants/Applicants**

In addition to the DCP's enforcement activities, a large component of the DCP is regulatory in nature. Specifically, DEA's DCP is responsible for enforcing the Controlled Substances Act (CSA) and its regulations pertaining to pharmaceutical controlled substances and listed chemicals. The DCP actively monitors more than 1.3 million individuals and companies that are registered with DEA to handle controlled substances or listed chemicals through a system of scheduling, quotas, recordkeeping, reporting, and security requirements. The DCP implements an infrastructure of controls established through the CSA and ancillary regulations. This system

<sup>7</sup> A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

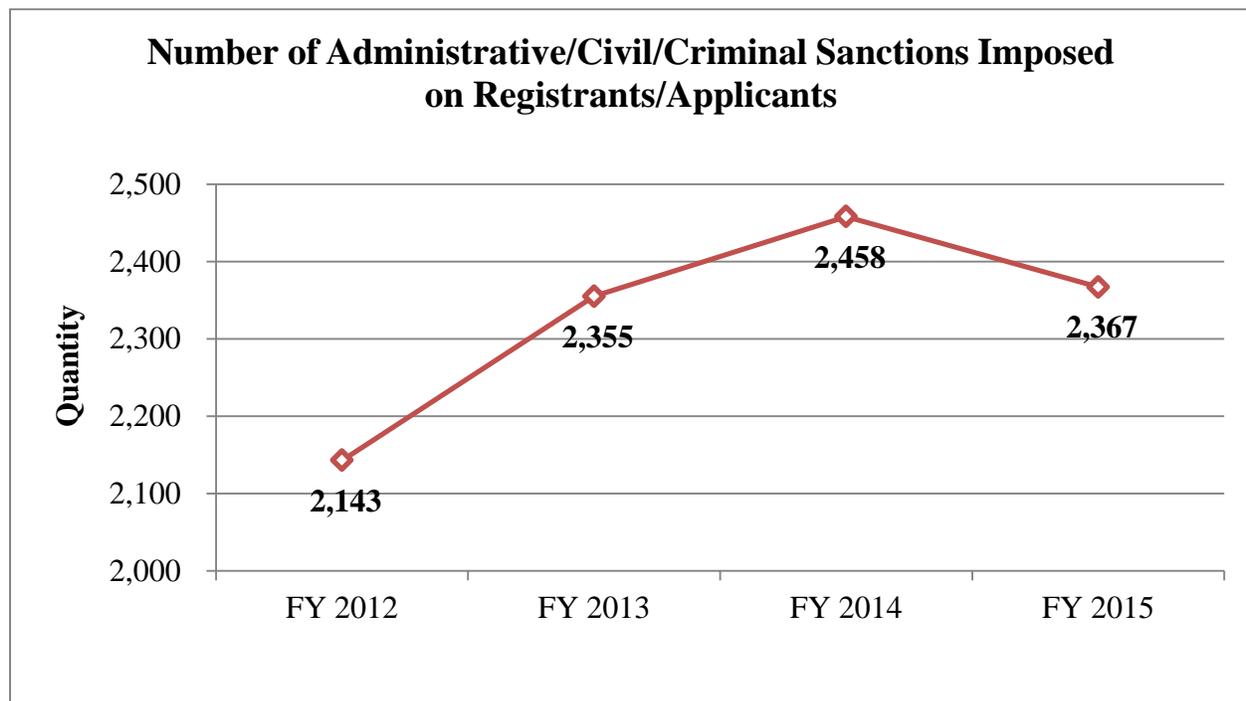
<sup>8</sup> A dismantlement occurs when the organization's leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

balances the protection of public health and safety by preventing the diversion of controlled substances and listed chemicals while ensuring an adequate and uninterrupted supply for legitimate needs. As a result of this regulatory component, an additional performance measure, the number of Administrative/Civil/Criminal Sanctions Imposed on Registrants/Applicants, is included in this report, which is indicative of the overall regulatory activities supported by the DCP.

Projections for the number of Administrative/Civil/Criminal Sanctions levied are derived using a Microsoft Excel algorithm which compiles and computes a trend (usually linear) utilizing actual data from the preceding time periods (e.g., fiscal years) and predicts data estimates for subsequent fiscal years.

**Table 4:** Measure 4

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Actual	FY 2016 Target
2,143	2,355	2,458	1,892	2,367	2,367



For FY 2015, the DCP imposed 2,367 Administrative/Civil/Criminal Sanctions on its registrants/applicants, which is 25.1 percent above its FY 2015 target of 1,892. For FY 2016, DCP’s target for Administrative/Civil/Criminal Sanctions is 2,367 based on prior year actuals.

***Data Validation and Verification***

The CSA Database (CSA2) is an Oracle database, which maintains all of the historical and investigative information on DEA registrants. It also serves as the final repository for punitive actions (i.e., sanctions) levied against CSA violators. During the reporting quarter, the domestic

field divisions change the status of a registrant's CSA2 Master Record to reflect any regulatory investigative actions that are being conducted on the registrant. The reporting of the regulatory action by each field division is available on a real-time basis through the reporting system within CSA2, as the investigative status change occurs. The regulatory investigative actions that are collected in a real-time environment are as follows: letters of admonition/MOU, civil fines, administrative hearing, order to show cause, restricted record, suspension, surrender for cause, revocations, and applications denied.

The Diversion Investigators and Group Supervisors/Diversion Program Managers are tasked to ensure that timely and accurate reporting is accomplished as the registrant's investigative status changes. Group Supervisors/Diversion Program Managers have the ability to view the report of ongoing and completed regulatory investigation actions for their office/division at any time during the quarter or at the quarter's end, since the actions are in real-time.

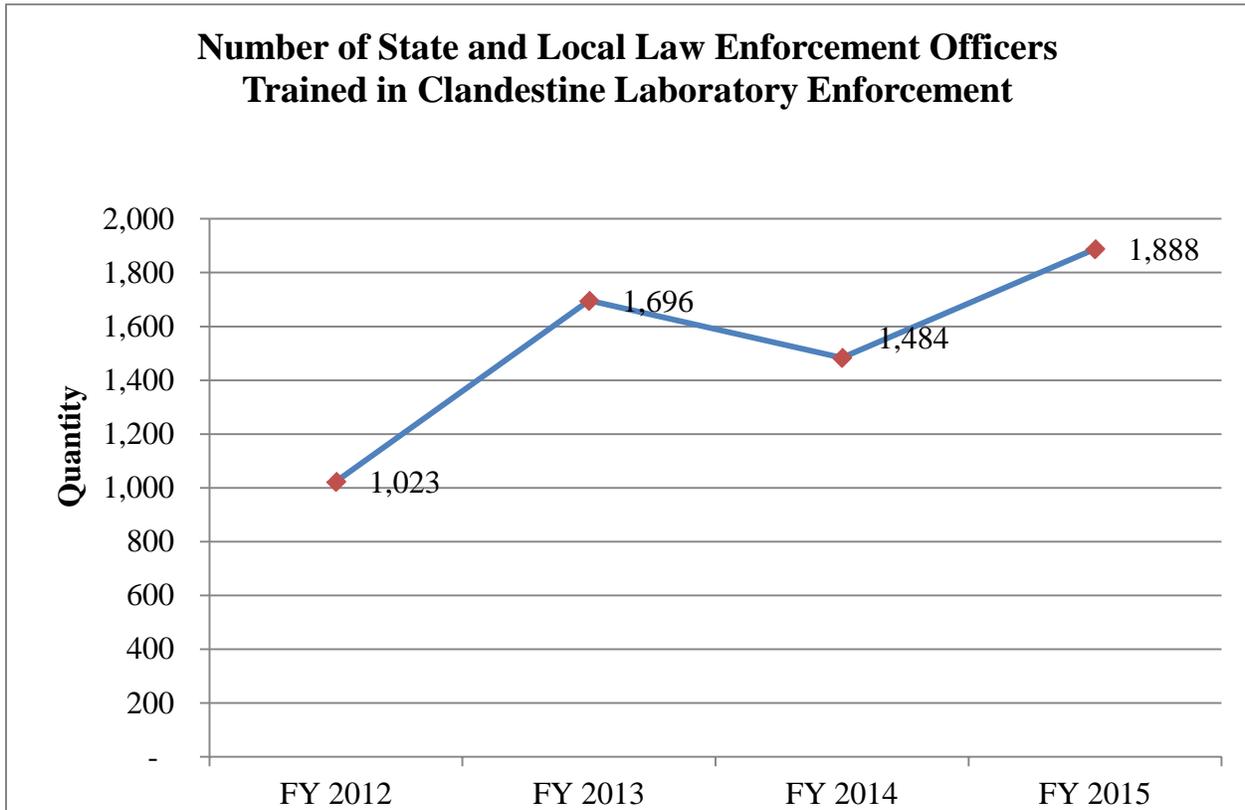
#### **Performance Measure 5: Number of State and Local Law Enforcements Officers Trained in Clandestine Laboratory Enforcement**

The DEA supports state and local law enforcement with methamphetamine-related assistance and training, which allows state and local agencies to better address the methamphetamine threat in their communities and reduce the impact that methamphetamine has on the quality of life for American citizens.

One of the most critical, specialized training programs offered by DEA to state and local law enforcement officers is in the area of Clandestine Laboratory Training. Often, it is the state and local police who first encounter the clandestine laboratories and must ensure that they are investigated, dismantled, and disposed of appropriately.

**Table 5: Measure 5**

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Actual	FY 2016 Target
1,023	1,696	1,484	1,200	1,888	1,220



During FY 2015 DEA conducted training for a total of 1,888 state and local law enforcement officers. This includes State and Local Clandestine Laboratory Certification Training, Site Safety Training, Tactical Training, and Authorized Central Storage Program Training. This training was supported by \$7 million transferred to DEA from the Community Oriented Policing Services (COPS) program to assist state and local law enforcement with clandestine methamphetamine labs cleanup, equipment, and training. DEA set its FY 2015 target at 1,200 officers trained. DEA exceeded the target by 57.3 percent.

Typically projections are based on a combination of previous year(s) information and projected funding approvals. Projections are often difficult to anticipate due to the uncertainty of funding levels. The FY 2016 target was established based on a 1.6% increase from the 2015 projection submission.

### ***Data Validation and Verification***

The DEA Training Academy receives quarterly training data from the field on training provided by Division Training Coordinators (DTC). The field data is combined with the data generated by the DEA's Training Academy for total training provided by the DEA. Data is tabulated quarterly based on the fiscal year.

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**FEDERAL BUREAU OF PRISONS**

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**Office of the Inspector General's Independent Report  
on Annual Accounting of Drug Control Funds  
and Related Performance**

Director  
Federal Bureau of Prisons  
U.S. Department of Justice

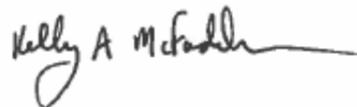
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Federal Bureau of Prisons (BOP) for the fiscal year ended September 30, 2015. The BOP's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the BOP prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of BOP management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Federal Bureau of Prisons  
Detailed Accounting Submission**

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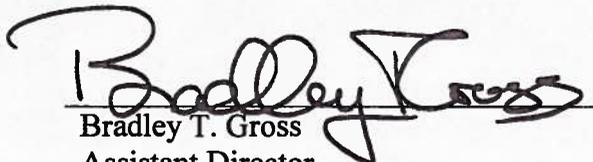


Washington, DC 20534

**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Federal Bureau of Prisons (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the BOP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by the BOP to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings or transfers during FY 2015.
4. BOP did not have any ONDCP Fund Control Notices issued in FY 2015.

  
Bradley T. Gross  
Assistant Director  
for Administration

1/15/2016

Date

<b>U.S. Department of Justice</b>		
<b>Federal Bureau of Prisons</b>		
<b>Detailed Accounting Submission</b>		
<b>Table of Drug Control Obligations</b>		
<b>For Fiscal Year Ended September 30, 2015</b>		
<b>(Dollars in Millions)</b>		
<b>Drug Obligations by Budget Decision Unit and Function:</b>		<b>FY 2015</b>
<b>Decision Unit #1: Inmate Care and Programs</b>		<b>Actual Obligations</b>
	Treatment	\$ 86.64
	Corrections	1,210.48
<b>Total Inmate Care and Programs</b>		<b>\$ 1,297.12</b>
<b>Decision Unit #2: Institution Security and Administration</b>		
	Corrections	\$ 1,454.90
<b>Total Institution Security and Administration</b>		<b>\$ 1,454.90</b>
<b>Decision Unit #3: Contract Confinement</b>		
	Treatment	\$ 30.35
	Corrections	458.80
<b>Total Contract Confinement</b>		<b>\$ 489.15</b>
<b>Decision Unit #4: Management and Administration</b>		
	Corrections	\$ 98.58
<b>Total Management and Administration</b>		<b>\$ 98.58</b>
<b>Decision Unit #5: New Construction</b>		
	Corrections	\$ 7.21
<b>Total New Construction</b>		<b>\$ 7.21</b>
<b>Decision Unit #6: Modernization and Repair</b>		
	Corrections	\$ 36.47
<b>Total Modernization and Repair</b>		<b>\$ 36.47</b>
<b>Total Drug Control Obligations</b>		<b>\$ 3,383.43</b>

**U.S. Department of Justice  
Federal Bureau of Prisons  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

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 (48.5%).

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. The table represents obligations incurred by the BOP for drug control purposes. The amounts are net of all reimbursable agreements.

Data - All accounting information for the BOP is derived from the Department of Justice (DOJ) Financial Management Information System 2 (FMIS2).

Financial Systems - The FMIS2 is the DOJ financial system that provides BOP obligation data. Obligations in this system can also be reconciled with the enacted appropriation and carryover balances.

Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been changed from the prior year (FY 2014).

### Disclosure 3: Material Weaknesses or Other Findings

In FY 2015, there were no significant deficiencies or material weaknesses identified in Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility for Internal Control* testing or the *Independent Auditors' Report on Internal Control over Financial Reporting* and no findings in the *Independent Auditors' Report on Compliance and other Matters*.

### Disclosure 4: Reprogrammings or Transfers

BOP's FY 2015 obligations include all approved transfers and reprogrammings (see the attached Table of Reprogrammings and Transfers).

### Disclosure 5: Other Disclosures

The BOP allocates funds to the Public Health Service (PHS). The PHS provides a portion of the drug treatment for federal inmates. In FY 2015, \$975,100 was allocated from the BOP to PHS, and was designated and expended for current year obligations of PHS staff salaries, benefits, and applicable relocation expenses associated with eight PHS Full Time Equivalents in relations to drug treatment. Therefore, the allocated obligations were included in BOP's Table of Drug Control Obligations.

**U.S. Department of Justice**  
**Federal Bureau of Prisons**  
**Detailed Accounting Submission**  
**Table of Reprogrammings and Transfers**  
**For Fiscal Year Ended September 30, 2015**  
**(Dollars in Millions)**

<b>Drug Resources by Budget Decision Unit and Function:</b>		<b>Reprogrammings</b>	<b>Transfers -in</b>	<b>Transfers-out</b>	<b>Total</b>
<b>Decision Unit: Inmate Care and Programs</b>					
Corrections		\$ 12.09	\$ 53.84	\$ (53.84)	\$ 12.09
<b>Total Inmate Care and Programs</b>		\$ 12.09	\$ 53.84	\$ (53.84)	\$ 12.09
<b>Decision Unit: Institution Security and Administration</b>					
Corrections		\$ 4.77	\$ 0.00	\$ 0.00	\$ 4.77
<b>Total Institution Security and Administration</b>		\$ 4.77	\$ 0.00	\$ 0.00	\$ 4.77
<b>Decision Unit: Contract Confinement</b>					
Corrections		\$ (20.61)	\$ 0.00	\$ 0.00	\$ (20.61)
<b>Total Contract Confinement</b>		\$ (20.61)	\$ 0.00	\$ 0.00	\$ (20.61)
<b>Decision Unit: Management and Administration</b>					
Corrections		\$ 3.75	\$ 0.00	\$ (0.67)	\$ 3.08
<b>Total Management and Administration</b>		\$ 3.75	\$ 0.00	\$ (0.67)	\$ 3.08
<b>Total</b>		\$ 0.00	\$ 53.84	\$ (54.51)	\$ (0.67)

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**Federal Bureau of Prisons  
Performance Summary Report**

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Washington, DC 20534

**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Federal Bureau of Prisons (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the BOP system of performance reporting provides reasonable assurance that:

1. BOP uses SENTRY to capture performance information accurately and SENTRY was properly applied to generate the performance data.
2. BOP met the reported performance targets for FY 2015.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. BOP has established at least one acceptable performance measure, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Bradley T. Gross  
Assistant Director  
for Administration

1/15/2016

Date

**U.S. Department of Justice  
Federal Bureau of Prisons  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

**Performance Measure: Residential Drug Abuse Treatment Program Capacity and Enrollment**

The BOP has established a performance measurement of monitoring the utilization of residential drug treatment program capacity as a performance indicator to measure effective usage of Drug Treatment Programs. This measure complies with the purpose of National Drug Control Program activity and is presented in support of the Treatment function.

The Violent Crime Control and Law Enforcement Act of 1994 requires the BOP to provide residential substance abuse treatment for 100% of “eligible” inmates by the end of FY 1997 and each year thereafter (subject to the availability of appropriations). The BOP established a performance measurement tracking the capacity of the Residential Drug Abuse Program (RDAP) to the number of participants at the end of each fiscal year. The objective is to monitor the utilization of RDAP capacity.

RDAP is offered at 77 BOP locations and one contract facility. Inmates who participate in these residential programs are housed together in a treatment unit that is set apart from the general population. Treatment is provided for a minimum of 500 hours.

Data on inmate capacity and participation is entered in the BOP on-line system (SENTRY). SENTRY Key Indicator reports provide the counts of inmates participating in the RDAP and subject matter experts enter and analyze the data.

In FY 2015, the BOP achieved a total capacity of 7,829 (capacity is based on number of treatment staff) that was available for the fiscal year and 7,535 actual participants (participants are actual inmates enrolled in the program at year end) thus meeting the target level.

For FY 2016, the capacity of BOP’s RDAP is projected to be 7,829 with total participants of 7,535. This is based on past performance data.

**Fiscal year-end Residential Drug Abuse Treatment Program Capacity and Enrollment**

Fiscal Year	Capacity	Participants*	Utilization
FY 2012 Actual	6,092	6,015	99%
FY 2013 Actual	7,548	7,294	97%
FY 2014 Actual	7,918	7,547	95%
FY 2015 Target	7,918	7,547	95%
FY 2015 Actual	7,829	7,535	96%
FY 2016 Target	7,829	7,535	96%

\*Participants may exceed Capacity due to overcrowding and demand for the program.

***Data Validation and Verification***

To ensure the reliability of the data, the capacity of the program and the utilization rate is monitored by subject matter experts at the end of each quarter using Key Indicator reports generated from SENTRY.

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**OFFICE OF JUSTICE PROGRAMS**

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## Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Assistant Attorney General  
Office of Justice Programs  
U.S. Department of Justice

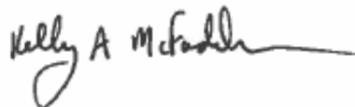
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Office of Justice Programs (OJP) for the fiscal year ended September 30, 2015. The OJP's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the OJP prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of OJP management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, reading "Kelly A. McFadden" with a long horizontal flourish extending to the right.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Office of Justice Programs  
Detailed Accounting Submission**

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Washington, D.C. 20531

**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Office of Justice Programs (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from the OJP's accounting system of record for these budget decision units.
2. The drug methodology used by the OJP to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP's approval for reprogrammings and transfers affecting drug-related resources in excess of \$1 million.
5. The data presented are associated with obligations against a financial plan that fully complied with all Fund Control Notices issued by the ONDCP Director under 21 U.S.C. § 1703(f) and Section 9 of the ONDCP Circular, *Budget Execution*.



Leigh Benda, Chief Financial Officer



Date

**Drug Obligations by Budget Decision Unit and Function:**

**FY 2015**

	<b>Actual Obligations<sup>1/</sup></b>
<b>Decision Unit #1: Regional Information Sharing System Program</b>	
Treatment	\$ 27.33
<b>Total, Regional Information Sharing System Program</b>	<u>\$ 27.33</u>
<b>Decision Unit #2: Drug Court Program</b>	
Treatment	\$ 37.52
<b>Total, Drug Court Program</b>	<u>\$ 37.52</u>
<b>Decision Unit #3: Residential Substance Abuse Treatment Program</b>	
Treatment	\$ 9.59
<b>Total, Residential Substance Abuse Treatment Program</b>	<u>\$ 9.59</u>
<b>Decision Unit #4: Harold Rogers Prescription Drug Monitoring Program</b>	
State and Local Assistance	\$ 10.37
<b>Total, Harold Rogers Prescription Drug Monitoring Program</b>	<u>\$ 10.37</u>
<b>Decision Unit #5: Second Chance Act Program</b>	
State and Local Assistance	\$ 29.33
<b>Total, Second Chance Act Program</b>	<u>\$ 29.33</u>
<b>Decision Unit #6: Byrne Criminal Justice Innovation Program</b>	
State and Local Assistance	\$ 3.11
<b>Total, Byrne Criminal Justice Innovation Program</b>	<u>\$ 3.11</u>
<b>Decision Unit #7: Tribal Courts Program</b>	
Treatment	\$ 1.32
<b>Total, Tribal Courts Program</b>	<u>\$ 1.32</u>
<b>Decision Unit #8: Indian Alcohol and Substance Abuse Program</b>	
Prevention	\$ 4.17
<b>Total, Indian Alcohol and Substance Abuse Program</b>	<u>\$ 4.17</u>
<b>Decision Unit #9: Edward Byrne Memorial Justice Assistance Grant Program</b>	
State and Local Assistance	\$ 70.60
<b>Total, Edward Byrne Memorial Justice Assistance Grant Program</b>	<u>\$ 70.60</u>
<b>Decision Unit #10: Tribal Youth Program</b>	
Prevention	\$ 1.91
<b>Total, Tribal Youth Program</b>	<u>\$ 1.91</u>
<b>Total</b>	<u>\$ 195.25</u>

<sup>1/</sup> Program obligations reflect direct program obligations plus estimated management and administration obligations.

**U.S. Department of Justice  
Office of Justice Programs  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The mission of the Office of Justice Programs (OJP) is to provide Federal leadership in developing the Nation's capacity to prevent and control crime, administer justice, and assist crime victims. As such, OJP's resources are primarily targeted to providing assistance to state, local, and tribal governments. In executing its mission, OJP dedicates a significant level of resources to drug-related program activities, which focus on breaking the cycle of drug abuse and crime including: drug testing and treatment, provision of graduated sanctions, drug prevention and education, and research and statistics.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013.

OJP's Office of the Chief Financial Officer, Budget Formulation, Appropriations, and Management Division is responsible for the development and presentation of the annual OJP ONDCP Budget. OJP's fiscal year (FY) 2015 drug obligations have a total of 10 decision units identified for the National Drug Control Budget. OJP is not reporting on the Border Initiatives or the Enforcing Underage Drinking Programs, as they were not funded and had no obligations in FY 2015.

The FY 2015 decision units include the following:

- Regional Information Sharing System Program
- Tribal Courts Program
- Indian Alcohol and Substance Abuse Program
- Tribal Youth Program
- Drug Court Program
- Residential Substance Abuse Treatment Program
- Harold Rogers Prescription Drug Monitoring Program
- Second Chance Act Program
- Byrne Criminal Justice Innovation Program
- Edward Byrne Memorial Justice Assistance Program

In determining the level of resources used in support of the 10 active budget decision units, OJP used the following methodology:

Drug Program Obligations by Decision Unit: Data on obligations, as of September 30, 2015, were gathered from DOJ's Financial Management Information System 2 (FMIS2). The total obligations presented for OJP are net of funds obligated under the Crime Victims Fund and Public Safety Officers' Benefits Program.

Management and Administration (M&A) Data. M&A funds are assessed at the programmatic level and obligations are obtained from FMIS2 (OJP's Financial System). The obligation amounts were allocated to each decision unit by applying the relative percentage of Full-Time Equivalents (FTE) assigned to the 10 active drug-related decision units to the total M&A obligations for OJP.

Overall, OJP program activities support all four goals of the National Drug Control Strategy: (1) Substance Abuse Prevention, (2) Substance Abuse Treatment, (3) Domestic Law Enforcement, and (4) Interdiction and International Counterdrug Support. Functionally, OJP program activities fall under the following functions: Prevention, State and Local Assistance, and Treatment. To determine the function amount, OJP used an allocation method that was derived from an annual analysis of each program's mission and by surveying program officials. OJP then applied that function allocation percentage to the obligations associated with each decision unit line item.

The Table of Drug Control Obligations amounts were calculated as follows:

Function: The appropriate drug-related percentage was applied to each decision unit line item and totaled by function. For FY 2015, all decision units had a function allocation of 100 percent.

Decision Unit: In accordance with the ONDCP Circulars, 100 percent of the actual obligations for four of the 10 active budget decision units are included in the Table of Drug Control Obligations. As directed by ONDCP, only 50 percent of the actual obligations for the Second Chance Act Program are included. OJP is reporting 30 percent of the actual obligations for the Byrne Criminal Justice Innovation Program and the Indian Country Legacy Programs. The Byrne Justice Assistance Grants reports 22 percent of the actual obligations.

#### Disclosure 2: Methodology Modifications

OJP's overall methodology used to report obligations has not changed from the prior year methodology.

#### Disclosure 3: Material Weaknesses or Other Findings

For FY 2015, OJP was included in the Department of Justice (DOJ or the Department) consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2015 *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* revealed no material weaknesses. Although no material weaknesses were noted in the DOJ's FY 2015 *Independent Auditors' Report on Internal Control over Financial Reporting*, the auditors identified one significant deficiency in the area of cost allocation between strategic goals in the Statement of Net Cost. Specifically, OJP incorrectly reported certain costs between the strategic goals on the FY 2014 and interim FY 2015 Statements of Net Cost. These errors did not misstate the total net cost of any component, or the net costs of the Department.

The Department's Justice Management Division and OJP's management concurred with the finding, and are currently working on a number of initiatives that will implement additional controls to increase the rigor and precision over financial reporting in the Department. This finding, while not a material weakness, is being reported by OJP as an "Other Finding" because it has an undetermined impact on the presentation of drug-related obligations.

Disclosure 4: Reprogrammings or Transfers

In accordance with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, OJP has provided the attached Table of Reprogrammings and Transfers. In FY 2015, OJP had no reprogrammings, and \$11.37 million and \$55.10 million in drug-related transfers-in and transfers-out, respectively. The transfers-in amounts include OJP's FY 2015 prior-year recoveries associated with the reported decision units. The transfers-out amounts reflect the assessments for the Research, Evaluation, and Statistics (RES) two-percent set-aside and the M&A assessments against OJP programs. The RES two percent set-aside was directed by Congress for funds to be transferred to and merged with funds provided to the National Institute of Justice and the Bureau of Justice Statistics to be used for research, evaluation, or statistical purposes. In FY 2015, Congress provided OJP the authority to assess programs for administrative purposes. The amounts reflected in the table include the dollar amount that each program contributed to OJP's M&A.

Disclosure 5: Other Disclosures

Of the total FY 2015 actual drug obligations, \$9.2 million are a result of carryover unobligated resources.

<b>Drug Resources by Budget Decision Unit and Function:</b>	<b>Transfers-in<sup>1/</sup></b>	<b>Transfers-out<sup>2/</sup></b>	<b>Total</b>
<b>Decision Unit #1: Regional Information Sharing System</b>			
State and Local Assistance	-	(3.08)	(3.08)
<b>Total, Regional Information Sharing System</b>	<u>\$ -</u>	<u>\$ (3.08)</u>	<u>\$ (3.08)</u>
<b>Decision Unit #2: Drug Court Program</b>			
Treatment	2.99	(4.21)	(1.22)
<b>Total, Drug Court Program</b>	<u>\$ 2.99</u>	<u>\$ (4.21)</u>	<u>\$ (1.22)</u>
<b>Decision Unit #3: Residential Substance Abuse Treatment Program</b>			
Treatment	0.46	(1.03)	(0.57)
<b>Total, Residential Substance Abuse Treatment Program</b>	<u>\$ 0.46</u>	<u>\$ (1.03)</u>	<u>\$ (0.57)</u>
<b>Decision Unit #4: Harold Rogers Prescription Drug Monitoring Program</b>			
State and Local Assistance	0.09	(1.13)	(1.04)
<b>Total, Harold Rogers Prescription Drug Monitoring Program</b>	<u>\$ 0.09</u>	<u>\$ (1.13)</u>	<u>\$ (1.04)</u>
<b>Decision Unit #5: Second Chance Act Program</b>			
State and Local Assistance	1.00	(3.30)	(2.30)
<b>Total, Second Chance Act Program</b>	<u>\$ 1.00</u>	<u>\$ (3.30)</u>	<u>\$ (2.30)</u>
<b>Decision Unit #6: Byrne Criminal Justice Innovation Program</b>			
State and Local Assistance	-	(1.08)	(1.08)
<b>Total, Byrne Criminal Justice Innovation Program</b>	<u>\$ -</u>	<u>\$ (1.08)</u>	<u>\$ (1.08)</u>
<b>Decision Unit #7: Tribal Courts Program</b>			
Treatment	1.78	-	1.78
<b>Total, Tribal Courts Program</b>	<u>\$ 1.78</u>	<u>\$ -</u>	<u>\$ 1.78</u>
<b>Decision Unit #8: Indian Alcohol and Substance Abuse Program</b>			
Prevention	0.65	-	0.65
<b>Total, Indian Alcohol and Substance Abuse Program</b>	<u>\$ 0.65</u>	<u>\$ -</u>	<u>\$ 0.65</u>
<b>Decision Unit #9: Edward Byrne Memorial Justice Assistance Grant Program</b>			
State and Local Assistance	3.16	(37.45)	(34.29)
<b>Total, Edward Byrne Memorial Justice Assistance Grant Program</b>	<u>\$ 3.16</u>	<u>\$ (37.45)</u>	<u>\$ (34.29)</u>
<b>Decision Unit #10: Tribal Youth Program</b>			
Prevention	0.69	(0.51)	0.18
<b>Total, Tribal Youth Program</b>	<u>\$ 0.69</u>	<u>\$ (0.51)</u>	<u>\$ 0.18</u>
<b>Decision Unit #12: Enforcing Underage Drinking Laws Program</b>			
Prevention	0.55	-	0.55
<b>Total, Enforcing Underage Drinking Laws Program</b>	<u>\$ 0.55</u>	<u>\$ -</u>	<u>\$ 0.55</u>
<b>Total</b>	<u>\$ 11.37</u>	<u>\$ (51.79)</u>	<u>\$ (40.42)</u>
Methamphetamine Enforcement and Lab Cleanup <sup>3/</sup>	-	\$ (7.00)	(7.00)

<sup>1/</sup> Transfers-in reflect FY 2015 recoveries.

<sup>2/</sup> Amounts reported for the Transfers-out consist of RES 2% set-aside and M&A assessments.

<sup>3/</sup> ONDCP requires OJP to report on the Methamphetamine Enforcement and Lab Cleanup Program, which is appropriated to the Office of Community Oriented Policing Services (COPS), an office within the Department of Justice's (DOJ's) Offices, Boards, and Divisions (OBDs), and transferred to the Drug Enforcement Administration (DEA) for administration. As the transfer related to the COPS program is reported in the financial statements of the OBDs, it is not included in the FY 2015 actual transfers-out total on OJP's Table of Reprogrammings and Transfers. The disclosure of the COPS information in the reprogrammings and transfers table is for presentation purposes only, and the obligations recorded for the program will be reflected in the DEA's Table of Drug Control Obligations.

**Office of Justice Programs  
Performance Summary Report**

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Washington, D.C. 20531

**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Office of Justice Programs (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the [CN] system of performance reporting provides reasonable assurance that:

1. OJP uses the Grants Management System and Performance Measurement Tool to capture performance information accurately and these systems were properly applied to generate the performance data.
2. Explanations offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets is reasonable.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. OJP has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

  
\_\_\_\_\_  
Leigh Benda, Chief Financial Officer

01/15/2016  
\_\_\_\_\_  
Date

**U.S. Department of Justice  
Office of Justice Programs  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

**Performance Measures:**

The Office of Justice Programs (OJP), established by the Justice Assistance Act of 1984, supports collaboration of law enforcement at all levels in building and enhancing networks across the criminal justice system to function more effectively. Within OJP's overall program structure, specific resources dedicated to support the National Drug Control Strategy are found in the: Residential Substance Abuse Treatment (RSAT) program; Drug Court program; Harold Rogers' Prescription Drug Monitoring Program (PDMP); Regional Information Sharing System (RISS); Edward Byrne Memorial Justice Assistance Grant (JAG) program; and Second Chance Act (SCA) program.

As required by the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, OJP is reporting on the following performance measures of the above programs for this Performance Summary Report:

- Number of participants in the RSAT program
- Graduation rate of program participants in the Drug Court program
- Number of PDMP interstate solicited and unsolicited reports produced
- Percent increase in RISS inquiries
- Completion rate for individuals participating in drug-related JAG programs
- Number of participants in the SCA-funded programs

In accordance with an agreement from the Office of National Drug Control Policy, dated December 2, 2013, OJP is not required to report performance measures for the following programs/decision units: Byrne Criminal Justice Innovation programs, Tribal Courts program, Indian Alcohol and Substance Abuse program, and Tribal Youth program. ONDCP stated that this agreement is in effect for the duration of the administration of these programs/decision units, unless the strategic direction of these programs is revised in the future to be more drug-related in nature.

## **Performance Measure 1: Number of participants in the RSAT program**

### **Decision Unit: Residential Substance Abuse Treatment Program**

**Table 1: Number of Participants in the RSAT Program**

<b>CY 2012 Actual</b>	<b>CY 2013 Actual</b>	<b>CY 2014 Target</b>	<b>CY 2014 Actual</b>	<b>CY 2015 Target</b>	<b>CY 2015 Actual</b>	<b>CY 2016 Target</b>
27,341	28,873	27,000	26,815	27,000	(will be available in March 2016)	27,000

The RSAT program, administered by the Bureau of Justice Assistance (BJA) and created by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322), assists state and local governments in developing and implementing residential substance abuse treatment programs (individual and group treatment activities) in correctional and detention facilities. The RSAT Program must be provided in residential treatment facilities, set apart from the general correctional population, focused on the substance abuse problems of the inmate, and develop the inmate's cognitive, behavioral, social, vocational, and other skills to solve the substance abuse and related problems.

The RSAT program formula grant funds may be used to implement three types of programs. For all programs, at least 10% of the total state allocation is made available to local correctional and detention facilities, provided such facilities exist, for either residential substance abuse treatment programs or jail-based substance abuse treatment programs as defined below.

The three types of programs are: 1) residential substance abuse treatment programs which provide individual and group treatment activities for offenders in residential facilities that are operated by state correctional agencies; 2) jail-based substance abuse programs which provide individual and group treatment activities for offenders in jails and local correctional facilities; and 3) an aftercare component which requires states to give preference to sub grant applicants who will provide aftercare services to program participants. Aftercare services must involve coordination between the correctional treatment program and other human service and rehabilitation programs, such as education and job training, parole supervision, halfway houses, self-help, and peer group programs that may aid in rehabilitation.

The number of offenders who participate in the RSAT program is a measure of the program's goal to help offenders become drug-free and learn the skills needed to sustain themselves upon return to the community.

Data for this measure are reported on a calendar year (CY) basis and, as a result, 2015 data will not be available until March 2016.

In CY 2014, BJA served 26,815 participants in the RSAT program. The target for CY 2014 was to have 27,000 participants in the RSAT program; however, the goal was not met by 185 participants or less than 1% of the target. The target for CY 2014 was reduced from 30,000 participants in the previous year to 27,000 participants. The reduction accounts for reduced

appropriations from over \$28 million in fiscal year (FY) 2010 to about \$8.8 million in FY 2014. This has resulted in fewer and lower value sub-awards at the state level. Other factors that contribute to not meeting the goal include the numbers of eligible offenders, available staff, and treatment providers; security issues; and the state's ability to provide the required 25% matching funds.

The target for CY 2016 is to have 27,000 participants in the RSAT program, which is in alignment with the target established in CY 2015.<sup>1</sup>

### ***Data Validation and Verification***

BJA implemented the Performance Management Tool (PMT) to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to the Grants Management System (GMS), and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

<sup>1</sup> Targets are set based on historical data and anticipated allocations.

**Performance Measure 2: Graduation rate of program participants in the Drug Court Program**

**Decision Unit: Drug Court Program**

**Table 2: Graduation Rate of Program Participants in the Drug Court Program**

<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
46%	51%	51%	51%	53%	51%

BJA and the Office of Juvenile Justice and Delinquency Prevention (OJJDP) administer OJP’s Drug Court program. The Drug Court program was established in 1995 to provide financial and technical assistance to states, state courts, local courts, units of local government, and tribal governments in order to establish drug treatment courts. Drug courts employ an integrated mix of treatment, drug testing, incentives, and sanctions to break the cycle of substance abuse and crime. Since its inception, more than 2,734<sup>2</sup> drug courts, and another 1,122 problem-solving courts have been established in a number of jurisdictions throughout the country. Currently, every state, the District of Columbia, Guam, and Puerto Rico have established one or more drug courts in their jurisdiction.

Based on the success of the drug court model, a number of problem-solving courts are also meeting the critical needs of various populations. These problem-solving courts include: Family Dependency Treatment, Driving While Intoxicated (DWI), Reentry, Healing-to-Wellness (Tribal), Co-Occurring Disorders, and Veterans Treatment among others. OJP continues to support drug courts and other problem-solving courts.

The need for drug treatment services is tremendous and OJP has a long history of providing resources to break the cycle of drugs and violence by reducing the demand, use, and trafficking of illegal drugs. According to the National Victimization Survey of 2007, there were 5.2 million violent victimizations of those aged 12 or older; about 26% of these victims believed the perpetrator was using drugs, alcohol, or both.<sup>3</sup> Further, 54 percent of jail inmates were abusing or dependent on drugs, according to Bureau of Justice Statistics (BJS) 2002 Survey of Inmates in Local Jails. Correspondingly, 53 percent of state inmates, and 45 percent of federal inmates abused or were dependent on drugs in the year before their admission to prison, according to the BJS 2004 Surveys of Inmates in State and Federal Correctional Facilities.

The graduation rate of program participants is calculated by dividing the number of graduates during the reporting period (numerator) by the total number of participants exiting the program, whether successfully or unsuccessfully, during the reporting period (denominator).

<sup>2</sup> National Association of Drug Court Professionals <http://www.nadcp.org/learn/about-nadcp>

<sup>3</sup> Bureau of Justice Statistics [www.bjs.gov/content/pub/pdf/dcf.pdf](http://www.bjs.gov/content/pub/pdf/dcf.pdf)

The target for FY 2015 was a graduation rate of 51% for drug court participants. The FY 2015 actual graduation rate is 53% which is 2% higher than the target rate. It is likely that the target rate has been surpassed this year compared to last year due to the maturation of enhancement grants having more time to become successful in their practices. The FY 2016 target is 51% since 24 grantees will be ending their grant in FY 2015 and new grantees will be chosen to take their place, so it is likely these new programs will need time to mature to reach a higher than 51% graduation rate.

### ***Data Validation and Verification***

BJA implemented the PMT to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to GMS, and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

**Performance Measure 3: Number of PDMP Interstate Solicited and Unsolicited Reports Produced**

**Decision Unit: Prescription Drug Monitoring Program**

**Table 3: Total number of interstate solicited reports produced**

<b>CY 2012 Actual</b>	<b>CY 2013 Actual</b>	<b>CY 2014 Target</b>	<b>CY 2014 Actual</b>	<b>CY 2015 Target</b>	<b>CY 2015 Actual</b>	<b>CY 2016 Target</b>
733,783	3,401,951	4,151,548	4,640,553	3,776,750	(will be available in March 2016)	3,600,000 <sup>4</sup>

**Table 4: Total number of interstate unsolicited reports produced**

<b>CY 2012 Actual</b>	<b>CY 2013 Actual</b>	<b>CY 2014 Target</b>	<b>CY 2014 Actual</b>	<b>CY 2015 Target</b>	<b>CY 2015 Actual</b>	<b>CY 2016 Target</b>
413	2,821	1,890	26,376	1,890	(will be available in March 2016)	1,890

The Harold Rogers Prescription Drug Monitoring Program, administered by BJA, enhances the capacity of regulatory and law enforcement agencies, and public health officials to collect and analyze controlled substance prescription data and other scheduled<sup>5</sup> chemical products through a centralized database administered by an authorized state agency.

The objectives of the PDMP are to build a data collection and analysis system at the state level; enhance existing programs' ability to analyze and use collected data; facilitate the exchange of collected prescription data among states; and assess the efficiency and effectiveness of the programs funded under this initiative. Funds may be used for planning activities or implementation activities.

This performance measure contributes to the National Drug Strategy by aligning with the core area of improving information systems to better analyze, assess, and locally address drug use and its consequences. The measure collects data on reports for the following users: prescribers, pharmacies/pharmacists, law enforcement (police officers, correctional officers, sheriffs or deputies, state coroners who are considered law enforcement and other law enforcement personnel), regulatory agencies, patients, researchers, medical examiners/coroners, drug treatment programs, drug court judges, and others.

<sup>4</sup> The targets are based on historical data compared with anticipated allocations. The CY 2016 target is slightly lower than the CY 2015 target to account for closing state awards and new local PDMP awards.

<sup>5</sup> The Federal Controlled Substance Act, which established five schedules of controlled substances, to be known as schedules I, II, III, IV, and V. Schedules are lists of controlled substances which identify how the substances on each list can be prescribed, dispensed or administered. A substance is placed on a particular schedule after consideration of several factors, including the substance's accepted medical usage in the United States and potential for causing psychological or physical dependence.

Since BJA established the PDMP reporting requirements in FY 2010, the number of PDMP system reports produced has increased substantially and is expected to rise. The actuals for solicited and unsolicited reports for CY 2014 greatly exceeded prior years. For example, the Idaho Board of Pharmacy reported that its system produced a total number of 18,126 unsolicited reports to other PDMP end users in another state during the April–June 2014 reporting period. This number largely contributed to the dramatic increase in the number of interstate unsolicited reports produced for CY 2014. The increase over time in interstate solicited reporting could also be attributed to the Prescription Monitoring Information Exchange and an increase in registered PDMP users and connected agencies. Through these additional users and connections, PDMP systems are more readily accessible via solicited and unsolicited reports.

For both solicited and unsolicited reports, it should be noted that these targets are difficult to predict due to a great deal of variance in these measures. Unsolicited reports pose a greater challenge, as each state has different laws on whether or not unsolicited reports can be generated. Additionally, the targets are impacted by the various prescribing practices of doctors, investigative capability of states investigative and regulatory agencies, demand for scheduled drugs, and capabilities of various state level PDMPs to generate solicited and unsolicited reports.

Data for this measure are reported on a calendar year basis and, as a result, 2015 data will not be available until March 2016.

The target for FY 2016 is 3,600,000 of interstate solicited reports produced, which is a decrease from the target established in FY 2015. The target for FY 2016 is 1,890 of interstate unsolicited reports produced, which is in alignment with the target established in both FY 2014 and FY 2015.

### ***Data Validation and Verification***

BJA implemented the PMT to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to GMS, and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

## **Performance Measure 4: Percent Increase in RISS Inquiries for the RISS Program**

### **Decision Unit: Regional Information Sharing Systems**

**Table 5: Percent increase in RISS inquires**

<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
16%	7%	11%	10%	1%	7%

The Regional Information Sharing Systems Program, administered by BJA, provides services and resources that directly impact law enforcement's ability to successfully resolve criminal investigations and prosecute offenders, while providing the critical officer safety event deconfliction necessary to keep the men and women of our law enforcement community safe. RISS supports an all-crimes approach; not all inquiries to RISS resources are related to narcotics investigations; however, RISS's resources, systems, and investigative support services do support narcotics investigations based on requests for services and inquiries from the field. Numerous narcotics investigators benefit from RISS's intelligence system, investigative resources, officer safety event deconfliction, and support services.

Inquiries to RISS resources include those made by authorized users to a variety of sources, including the RISS Criminal Intelligence Database (RISSIntel) and the search capability, as well as a number of other investigative resources, such as the RISS Property and Recovery Tracking System (RISSProp) and the Master Telephone Index. The number of inquiries to RISS resources by users is impacted by the types of crimes under investigation, the complexities of those crimes, regional changes and needs, and a variety of other factors. The RISSIntel user interface provides for a real-time, online federated search of more than 40 RISS and partner intelligence databases.

The RISS Program continues to play a significant role in the criminal information and criminal intelligence sharing realm and they continue to add data sources and partners to their federated search capabilities. Despite funding reductions the RISS Centers continue to work at reduced service levels and many of the Centers have not replaced staff, and reduced or eliminated some services, but continue to respond to the requests made by their membership. The members do understand that some of their requests may take a longer response due to the reduced staffing. The demand for services have not reduced and the RISS Centers' field representatives continue to provide services and training to the field based on availability.

Narcotics officers utilize all aspects of RISS's investigative services to assist in case resolution and prosecutorial efforts. In fact, federated search capability is only one service RISS provides and makes up only about 20% of the total RISS budget. Examples include analytical support services, such as link-analysis charts, crime scene diagrams, telephone toll analysis, financial analysis, digital forensics, and audio/video enhancements. Agencies and officers borrow surveillance equipment and specialized cameras, recorders, and other devices, obtain one-on-one technical support through RISS's field services staff, and use confidential funds to assist investigators with undercover operations, buy-busts, and other law enforcement operations. Numerous training opportunities on timely and relevant topics such as investigative techniques and emerging crimes are available, as well as law enforcement-sensitive briefings and

publications, such as *The Heroin Resurgence: A Painkiller Epidemic*, *Bath Salts: Deadly New Designer Drug*, and *Marijuana Legalization: Law Enforcement's Response*. In FY 2015, law enforcement officers using RISS services seized more than \$50.7 million in narcotics.

During FY 2015, significant progress was achieved in enhancing and expanding officer safety event deconfliction nationwide. As of May 2015, the three nationally recognized event deconfliction systems – Case Explorer, SAFETNet, and RISSafe – were integrated. No matter which system a user utilizes, it will deconflict with the other two systems and return conflict information.

There were noted increases in RISS inquiries for each fiscal year from FY 2012 to FY 2014, despite a 40% reduction in funding levels from 2011 to 2012. Although funding levels have remained at the decreased level, RISS inquiries increased from FY 2014 to FY 2015 by almost 1%. The increase does not meet the FY 2015 target of 10%. It is likely that as the services of RISS have become known to the field, the yearly number of RISS inquiries has stabilized and we may not see the large increases in inquiries as we have in years past due possibly to field saturation.

The target for FY 2016 target is a 7% increase in the number of RISS inquiries. This target was set based on historical trend analysis, in addition to the assumption of staffing and resources similar to FY 2015.

### ***Data Validation and Verification***

Data for the RISS program are not reported in the PMT. The six RISS centers and the RISS Technology Support Center (RTSC) report their performance information to the Institute for Intergovernmental Research (IIR), the administrative support grantee for the RISS program. IIR aggregates the data to develop the RISS quarterly report, which is submitted to BJA through GMS, as part of IIR's reporting requirements for the grant. At the end of the fiscal year, performance data for the RISS are provided in quarterly reports via GMS by the administrative grantee for the RISS program.

Program managers obtain data from these reports, telephone contact, and grantee meetings as a method to monitor IIR, the six RISS Centers, and the RISS RTSC for grantee performance. Data are validated and verified through a review of grantee support documentation obtained by program managers.

**Performance Measure 5: Completion Rate for Individuals Participating in Drug-Related JAG Programs**

**Decision Unit: Edward Byrne Memorial Justice Assistance Grant Program**

**Table 6: Completion rate for individuals participating in drug-related JAG programs**

<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
59%	62%	57%	63%	57%

\* Note: Data are not available for years prior to FY 2013

The JAG program, administered by BJA, is the leading source of Federal justice funding to state and local jurisdictions. The JAG program focuses on criminal justice related needs of states, tribes, and local governments by providing these entities with critical funding necessary to support a range of program areas, including law enforcement; prosecution, courts, and indigent defense; crime prevention and education; corrections and community corrections; drug treatment and enforcement; program planning, evaluation, and technology improvement; and crime victim and witness initiatives. The activities conducted under each program area are broad, and include such activities as: hiring and maintaining staff, overtime for staff, training, and purchasing equipment and/or supplies. More specifically, the drug treatment and enforcement program activities include treatment (inpatient or outpatient) as well as clinical assessment, detoxification, counseling, and aftercare.

The completion rate for individuals participating in drug-related JAG programs captures the percentage of total participants who are able to successfully complete all drug treatment program requirements. This measure supports the mission of the National Drug Control Strategy because these federal funded programs help to provide care and treatment for those who are addicted. In providing treatment for those who are addicted, this measure also addresses the original intent of the JAG program by using an innovative treatment approach to prevent and reduce crime.

The target for FY 2015 was a 57% completion rate for individuals participating in drug-related JAG programs. This target was set at 57% for two reasons. First, 57% is the national average for drug court success nationwide<sup>6</sup>, which sets a non-arbitrary baseline. Second, while JAG completion rates currently exceed this target, the JAG reporting is set to change for FY 2016 data, which may result in fluctuations in the completion rate. This new data should be evaluated before the target is revised. Therefore, the target for FY 2016 is a 57% completion rate for individuals participating in drug-related JAG programs, which is in alignment with the target established in FY 2015.

<sup>6</sup> Huddleston, W. & Marlowe, D.B. (2011). *Painting the Current Picture: A National Report on Drug Courts and Other Problem-Solving Court Programs in the United States*. NDCI: Alexandria, VA.  
<http://www.ndci.org/sites/default/files/nadcp/PCP%20Report%20FINAL.PDF>

### *Data Validation and Verification*

BJA implemented the PMT to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to GMS. Program managers review the reports. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and through desk and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by research associates, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

## **Performance Measure 6: Number of Participants in SCA-funded Programs**

### **Decision Unit: Second Chance Act Program**

**Table 7: Number of participants in SCA-funded programs**

<b>FY 2013 Actual</b>	<b>FY 2014 Target</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Target</b>
8,253	7,830	7,047	7,830 <sup>7</sup>	6,006	7,830

\* Note: Data are not available for years prior to FY 2013

The Second Chance Act of 2007 (Public Law 110-199) reformed the Omnibus Crime Control and Safe Streets Act of 1968. The SCA is an investment in programs proven to reduce recidivism and the financial burden of corrections on state and local governments, while increasing public safety. The bill authorizes \$165 million in grants to state and local government agencies and community organizations to provide employment and housing assistance, substance abuse treatment, family programming, mentoring, victim support and other services that help people returning from prison and jail to safely and successfully reintegrate into the community. The legislation provides support to eligible applicants for the development and implementation of comprehensive and collaborative strategies that address the challenges posed by reentry to increase public safety and reduce recidivism.

While BJA funds six separate SCA grant programs, for the purposes of this performance measure, data from only two grant programs are used. The first program is the Targeting Offenders with Co-Occurring Substance Abuse and Mental Health Program. This SCA grant program provides funding to state and local government agencies and federally recognized Indian tribes to implement or expand treatment both pre- and post-release programs for individuals with co-occurring substance abuse and mental health disorders. The second program is the Family-Based Prisoner Substance Abuse Treatment Program. This grant program is designed to implement or expand family-based treatment programs for adults in prisons or jails. These programs provide comprehensive substance abuse treatment and parenting programs for incarcerated parents of minor children and also provide treatment and other services to the participating offenders' minor children and family members. Program services are available during incarceration as well as during reentry back into the community.

The total number of participants in SCA funded programs is a measure of the grant program's goal of helping those previously incarcerated successfully reenter the community following criminal justice system involvement, by addressing their substance abuse challenges. The total

<sup>7</sup>As reflected in the FY16 President's Budget, the target has been reduced to account for decreased appropriations, which has resulted in fewer grantees than in previous years.

number of participants' measure demonstrates how many of those reentering the communities have participated in substance abuse-focused reentry services.<sup>8</sup>

The target for FY 2015 is to have 7,830 participants in SCA Family-Based and Co-Occurring programs. The actual number of total participants enrolled in these programs in FY 2015 was 6,006, which is 1,824 participants below the target. This is primarily due to the Family-Based Program not being funded in either FY 2014 or FY 2015. This resulted in a reduction in the number of active grantees providing services.

The target for FY 2016 is to have 7,830 participants participate in SCA-funded programs, which is consistent with the target established in FY 2015.<sup>9</sup>

### ***Data Validation and Verification***

BJA implemented the PMT on January 1, 2009 to support grantees' ability to identify, collect, and report performance measurement data online for activities funded under their award. Grantees report data in the PMT and create a report, which is uploaded to GMS, and reviewed by BJA program managers. Program managers obtain data from reports submitted by grantees (including the performance measures), telephone contact, and on-site monitoring of grantee performance.

The PMT has real-time data accuracy checks for out-of-range and inconsistent values. Data are validated and verified through a review by program managers, which include an additional level of validation conducted by analysts who review the data quarterly using statistical testing methods.

<sup>8</sup> Please note that because participants sometimes receive services in more than one reporting period, it is possible that some participants may have been counted more than once in the total number of participants who received services from SCA Family-Based and Co-Occurring Programs.

<sup>9</sup> The past targets and the target for FY16 are constructed considering trends in the data and funding levels.

**OFFICES OF THE  
UNITED STATES ATTORNEYS**

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## Office of the Inspector General's Independent Report on Annual Accounting of Drug Control Funds and Related Performance

Director  
Executive Office for U.S. Attorneys  
U.S. Department of Justice

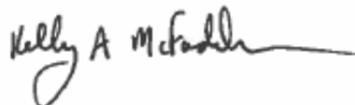
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Executive Office for United States Attorneys (EOUSA) for the fiscal year ended September 30, 2015. The EOUSA's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the EOUSA prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of EOUSA management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Offices of the United States Attorneys  
Detailed Accounting Submission**

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U.S. Department of Justice

Executive Office for United States Attorneys

Resource Management and Planning Staff

Suite 2200, Bicentennial Building  
600 E Street, NW  
Washington, DC 20530

(202) 252-5600  
FAX (202) 252-5601

**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the United States Attorneys management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the United States Attorneys' system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by the United States Attorneys to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2015.
4. The United States Attorneys did not have any ONDCP Fund Control Notices issued in FY 2015.

Digitally signed by PAUL SUDDES  
DN: c=US, o=U.S. Government, ou=Dept of  
Justice, ou=EOUSA, cn=PAUL SUDDES,  
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Date: 2016.01.15 09:07:51 -05'00'

Paul W. Suddes  
Chief Financial Officer

Date

**U.S. Department of Justice  
 United States Attorneys  
 Detailed Accounting Submission  
 Table of Drug Control Obligations  
 For Fiscal Year Ended September 30, 2015  
 (Dollars in Millions)**

<b>Drug Obligations by Budget Decision Unit and Function:</b>	<b>FY 2015</b>
<b>Decision Unit : Criminal</b>	<b><u>Actual Obligations</u></b>
Prosecution	<u>\$ 91.77</u>
<b>Total Criminal Decision Unit</b>	<b><u>\$ 91.77</u></b>
<b>Total Drug Control Obligations</b>	<b><u>\$ 91.77</u></b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 0.59

**U.S. Department of Justice  
United States Attorneys  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The United States Attorneys work in conjunction with law enforcement to disrupt domestic and international drug trafficking and narcotics production through comprehensive investigations and prosecutions of criminal organizations. A core mission of each of the United States Attorneys' Offices (USAOs) is to prosecute violations of federal drug trafficking, controlled substance, money laundering, and related laws in order to deter continued illicit drug distribution and use in the United States. This mission includes utilizing the grand jury process to investigate and uncover criminal conduct and subsequently presenting the evidence in court as part of prosecution of individuals and organizations who violate Federal law. USAOs also work to dismantle criminal drug organizations through asset forfeiture, thereby depriving drug traffickers of the proceeds of illegal activities.

In addition to this traditional prosecutorial role, efforts to discourage illegal drug use and to prevent recidivism by convicted drug offenders also form important parts of the drug control mission of the USAOs. Each USAO is encouraged to become involved in reentry programs that may help prevent future crime, including drug crimes. Reentry programs, such as reentry courts, typically include access to drug treatment and support for recovery. Prosecutors and USAO staff also participate in community outreach through initiatives that educate communities about the hazards of drug abuse.

The United States Attorneys community does not receive a specific appropriation for drug-related work in support of the National Drug Control Strategy. The United States Attorneys drug resources are part of, and included within, the United States Attorneys annual Salaries and Expenses (S&E) Appropriation. As a result of not having a specific line item for drug resources within our appropriation, the United States Attorneys have developed a drug budget methodology based on workload data. The number of workyears dedicated to non-OCDETF drug related prosecutions is taken as a percentage of total workload. This percentage is then multiplied against total obligations to derive estimated drug related obligations.

Data – All financial information for the United States Attorneys is derived from Department of Justice's (DOJ's) Financial Management System 2 (FMIS2). Workload information is derived from the United States Attorneys' USA-5 Reporting System.

Financial Systems – FMIS2 is DOJ's financial system. Obligations in this system can also be reconciled with the enacted appropriation.

## Disclosure 2: Methodology Modifications

No modifications were made to the methodology from prior years.

## Disclosure 3: Material Weaknesses or Other Findings

The United States Attorneys is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2015, the OBDs were included in the Department of Justice (DOJ or the Department) consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2015 *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* revealed no material weaknesses.

Although no material weaknesses were noted in the FY 2015 OBDs audit report on internal controls, the auditors identified one significant deficiency related to inadequate financial statement preparation and review controls. The auditors detected several reporting errors that were similar and pervasive indicating the Department and certain components need to enhance their existing risk assessment processes to ensure transactions with a higher risk of error are adequately monitored and process-level controls are designed at a level of precision to identify significant errors. This finding, while not a material weakness, nor specifically directed to United States Attorneys, is being reported by United States Attorneys as an "Other Finding" because it has an undetermined impact on the presentation of drug related obligations.

The DOJ Justice Management Division, Finance Staff concurred with the finding, and is currently working on a number of initiatives that will implement additional controls to increase the rigor and precision over financial reporting in the Department.

## Disclosure 4: Reprogrammings or Transfers

There were no drug related reprogrammings or transfers in FY 2015.

**Offices of the United States Attorneys  
Performance Summary Report**

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**U.S. Department of Justice**

Executive Office for United States Attorneys

Office of the Director

Suite 2261, RFK Main Justice Building (202) 252-1000  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the United States Attorneys management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the United States Attorneys system of performance reporting provides reasonable assurance that:

1. The United States Attorneys use the United States Attorneys' Legal Information Office Network System (LIONS), an electronic national case management system, to capture performance information accurately and LIONS was properly applied to generate the performance data.
2. The United States Attorneys do not set drug related targets, but report out actual statistics on two drug related performance measures.
3. The methodology described to report performance measures for the current year is reasonable given past performance and available resources.
4. The United States Attorneys have established at least one acceptable performance measure for each decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Norman Wong  
Deputy Director and Counsel to the  
Director

11/15/16

Date

**U.S. Department of Justice  
United States Attorneys  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

**Performance Measures: Conviction Rate for Drug Related Offenses & Percentage of Defendants Sentenced to Prison**

The United States Attorneys’ Offices (USAOs) investigate and prosecute the vast majority of criminal cases brought by the federal government to include drug related topics. USAOs receive most of their criminal referrals, or “matters,” from federal investigative agencies, including the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the United States Immigration and Customs Enforcement (ICE), the United States Secret Service, and the United States Postal Inspection Service. The Executive Office for the United States Attorneys (EOUSA) supported the 2015 National Drug Control Strategy through reducing the threat, trafficking, use, and related violence of illegal drugs. The FY 2015 performance of the drug control mission of the United States Attorneys within the Department of Justice is based on agency Government Performance and Results Act documents and other agency information.

The USAOs do not set conviction rate targets. The USAOs report actual conviction rates to EOUSA through a case management system, known as United States Attorneys’ Legal Information Office Network System (LIONS). EOUSA categorizes narcotics cases prosecuted by the USAOs into two different types -- Organized Crime Drug Enforcement Task Force (OCDETF) cases and non-OCDETF narcotics cases. In light of the attestation by the OCDETF Executive Office, EOUSA provides a summary report for only non-OCDETF narcotic cases in FY 2015:

<b>U.S. Attorneys</b>							
<b>Selected Measures of Performance</b>		<b>FY 2012 Achieved</b>	<b>FY 2013 Achieved</b>	<b>FY 2014 Achieved</b>	<b>FY 2015 Target*</b>	<b>FY 2015 Achieved</b>	<b>FY 2016 Target*</b>
»	Conviction Rate for drug related defendants	92%	91%	92%	N/A	93%	N/A
»	Percentage of defendants sentenced to prison	90%	89%	89%	N/A	88%	N/A

\* The USAOs do not set conviction rate targets. Therefore the targets for FY 2015 and 2016 are not available. Actual conviction rate for FY 2016 will be presented in the FY 2016 submission.

### **Additional Performance Related Information:**

A small selection of cases below from FY 2015 illustrates the efforts of the USAOs in prosecuting large-scale drug trafficking organizations.

#### **Northern District of Illinois**

In January 2015, the U.S. District Court for the Northern District of Illinois sentenced two brothers Pedro and Margarito Flores from Chicago's West Side who served as the hub of the Sinaloa cartel in Chicago. Each brother was sentenced to 14 years in prison for smuggling at least 71 tons of cocaine and heroin and nearly \$2 billion in cash from 2005 to 2008. Born and raised in Chicago's Little Village neighborhood, the twins built their drug trafficking organization using a system of couriers drove loads in vehicles outfitted with secret compartments and hydraulic trapdoors. The drugs were often picked up in broad daylight, in supermarket parking lots and outside of South Loop dollar stores and then kept in innocuous-looking stash houses from Chicago to Aurora. They became the biggest wholesale suppliers in Chicago and they shipped drugs across the country, including to Los Angeles, New York, Washington and Philadelphia.

The U.S. Attorney's Office also seized millions of dollars of their assets, including luxury vehicles and \$400,000 in jewelry. At sentencing, the U.S. Attorney's Office advocated for a lenient sentence due to the Flores brothers' extensive cooperation since 2008. In 2015, the U.S. Attorney's Office announced that the cooperation of the Flores brothers' led to charges against 62 people — including Joaquin "El Chapo" Guzman — and the seizure of 11 tons of cocaine, more than 500 pounds of methamphetamines and about 170 pounds of heroin. In 2009, the Flores brothers' father disappeared and is presumed to have been murdered for their cooperation.

#### **Southern District of New York**

On May 29, 2015, Ross Ulbricht, A/K/A "Dread Pirate Roberts" received a life sentence from the U.S. District Court for the Southern District of New York. The U.S. Attorney's Office prosecuted Ulbricht in connection with his operation and ownership of Silk Road, a retail clearinghouse located on the "Tor" network, designed to enable its users to buy and sell illegal drugs and other unlawful goods and services anonymously between January 2011 and October 2013. Ulbricht was found guilty of each of the seven charges he faced on February 5, 2015, following a four-week jury trial.

Ulbricht created Silk Road in January 2011, and owned and operated the underground website that sought to anonymize transactions using the Tor network designed to conceal a computer's IP address and through a Bitcoin-based payment system. Silk Road emerged as the most sophisticated and extensive criminal marketplace on the Internet, serving as a sprawling black-market bazaar where unlawful goods and services, including illegal drugs of virtually all varieties, were bought and sold regularly by the site's users. While in operation, Silk Road was used by thousands of drug dealers and other unlawful vendors to distribute hundreds of kilograms of illegal drugs and other unlawful goods and services to more than 100,000 buyers, and to launder hundreds of millions of dollars deriving from these unlawful transactions.

As of September 23, 2013, the Silk Road home page displayed nearly 13,000 listings for controlled substances, listed under such categories as “Cannabis,” “Dissociatives,” “Ecstasy,” “Intoxicants,” “Opioids,” “Precursors,” “Prescription,” “Psychedelics,” and “Stimulants.” From November 2011 to September 2013, law enforcement agents made more than 60 individual undercover purchases of controlled substances from Silk Road vendors. These purchases included heroin, cocaine, ecstasy, and LSD, among other illegal drugs, and were filled by vendors believed to be located in more than ten different countries, including the United States, Germany, the Netherlands, Canada, the United Kingdom, Spain, Ireland, Italy, Austria, and France. The narcotics distributed on Silk Road have been linked to at least six overdose deaths across the world.

### **District of New Mexico**

On May 18, 2015, the U.S. District Court for the District of New Mexico sentenced Rachel Chavez Basurto, 53, of Grants, N.M., to 51 months in federal prison followed by three years of supervised release for her conviction on heroin and methamphetamine trafficking charges. Law enforcement officers executed a consensual search at her residence on March 5, 2013 and seized 94.1 net grams of heroin, 11.5 grams of actual methamphetamine, drug trafficking paraphernalia, and more than \$28,000 in cash. After Basurto entered her guilty plea in this case on March 22, 2014, and while on release pending her sentencing hearing, Basurto twice sold heroin to an individual working under the supervision of the Grants Police Department.

The U.S. Attorney’s Office prosecuted this case pursuant to the New Mexico Heroin and Opioid Prevention and Education (HOPE) Initiative. The HOPE Initiative is a collaborative effort between the U.S. Attorney’s Office and the University of New Mexico Health Sciences Center that is partnering with the Bernalillo County Opioid Accountability Initiative with the overriding goal of reducing the number of opioid-related deaths in the District of New Mexico. The HOPE Initiative comprised of five components: (1) prevention and education; (2) treatment; (3) law enforcement; (4) reentry; and (5) strategic planning. The law enforcement component of the HOPE Initiative is led by the Organized Crime Section of the U.S. Attorney’s Office and the DEA in conjunction with their federal, state, local and tribal law enforcement partners. Targeting members of major heroin trafficking organizations for investigation and prosecution is a priority of the HOPE Initiative.

### **Eastern District of Virginia**

On September 3, 2015, the Organized Crime Drug Enforcement Task Force (OCDETF) investigation into the Nine Trey Gangsters, designated Operation Ruby Red and Operation Full Blooded Ink, led to the arrest and prosecution of 37 gang members in the Eastern District of Virginia since 2013, resulting in a total of approximately 415 years in prison for the gang members.

Much of the criminal activity in the investigation centered on the distribution of narcotics in Virginia, Maryland and the D.C. metro area, namely large quantities of crack cocaine. Other related criminal activity, which often accompanies criminal street gangs, was also discovered, including conspiracy to commit racketeering, violence in aid of racketeering, conspiracy to

commit sex trafficking, conspiracy to commit armed robbery, conspiracy to distribute counterfeit currency, and possession and use of firearms.

### ***Data Validation and Verification***

The Department of Justice views data reliability and validity as critically important in the planning and assessment of its performance. EOUSA makes every effort to constantly improve the completeness and reliability of its performance information by performing “data scrubs” (routine examination of current and historical data sets, as well as looking toward the future for trends) to ensure the data we rely on to make day-to-day management decisions are as accurate and reliable as possible and targets are ambitious enough given the resources provided.

The Director, EOUSA, with the concurrence of the Attorney General's Advisory Committee, issued a Continuous Case Management Data Quality Improvement Plan on May 1, 1996. This program enhances the accuracy and reliability of data in LIONS, which is used for a wide variety of internal management awareness and accountability, and provides guidance for all personnel involved in the process (docket personnel, system managers, line attorneys and their secretaries, and supervisory attorney personnel), in order to meet current information gathering needs.

Established in 1995, the Data Analysis Staff is the primary source of statistical information and analysis for EOUSA. This caseload data was extracted from LIONS. Beginning in FY 1997, each district was to establish a Quality Improvement Plan. Beginning in June 1996, each United States Attorney must personally certify the accuracy of their data as of April 1 and October 1 of each year.

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**ORGANIZED CRIME DRUG ENFORCEMENT  
TASK FORCES PROGRAM**

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**Office of the Inspector General's Independent Report  
on Annual Accounting of Drug Control Funds  
and Related Performance**

Director  
Executive Office for the Organized Crime  
Drug Enforcement Task Forces  
U.S. Department of Justice

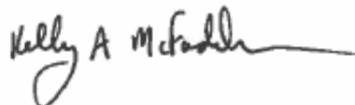
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's Organized Crime Drug Enforcement Task Forces (OCDETF) for the fiscal year ended September 30, 2015. The OCDETF's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the OCDETF prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of OCDETF management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden" followed by a long horizontal flourish.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**Organized Crime Drug Enforcement  
Task Forces Program  
Detailed Accounting Submission**

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**U.S. Department of Justice**

Executive Office for Organized Crime Drug  
Enforcement Task Forces

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**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Organized Crime Drug Enforcement Task Forces (OCDETF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the OCDETF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from OCDETF's accounting system of record for these budget decision units.
2. The drug methodology used by OCDETF to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2015.
5. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2015.

  
\_\_\_\_\_  
Peter Maxey, Executive Officer

January 15, 2016  
\_\_\_\_\_  
Date

**U.S. Department of Justice  
Organized Crime Drug Enforcement Task Forces (OCDETF) Program  
Detailed Accounting Submission  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2015**

**Dollars in Millions**

	<b>Total FY 2015 Actual Obligations</b>
<b>Drug Obligations by Decision Unit and Function</b>	
<b>Investigations:</b>	
Drug Enforcement Administration (DEA)	\$ 195.26
Federal Bureau of Investigation (FBI)	\$ 133.61
U.S. Marshals Service (USMS)	\$ 8.79
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	\$ 11.15
OCDETF Fusion Center (OFC)	\$ 10.47
International Organized Crime Intelligence and Operations Center	\$ 1.70
<b>TOTAL INVESTIGATIVE DECISION UNIT</b>	<b>\$ 360.99</b>
<b>Prosecutions:</b>	
U.S. Attorneys (USAs)	\$ 150.22
Criminal Division (CRM)	\$ 2.75
EXO Threat Response Unit (TRU)	\$ 0.21
<b>TOTAL PROSECUTORIAL DECISION UNIT</b>	<b>\$ 153.18</b>
Total Drug Control Obligations	<b>\$ 514.17</b>

**U.S. Department of Justice**  
**Organized Crime Drug Enforcement Task Forces Program**  
**Detailed Accounting Submission**  
**Related Disclosures**  
**For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The Organized Crime Drug Enforcement Task Forces (OCDETF) Program is comprised of member agencies from three different Departments: the Department of Justice (DOJ), the Department of Treasury (Treasury), and the Department of Homeland Security (DHS). Beginning in FY 1998 and continuing through FY 2003, OCDETF member agencies were funded through separate appropriations. (Prior to the creation of DHS, which involved the transfer of the U.S. Coast Guard to DHS from the Department of Transportation, OCDETF was funded in DOJ, Treasury and Transportation appropriations.)

During FY 2004 and FY 2005, the DOJ's Interagency Crime and Drug Enforcement (ICDE) appropriation included funding to reimburse agencies in the DOJ, Treasury and DHS for their participation in the OCDETF Program. The availability of a consolidated budget has been critical to the OCDETF Program's ability both to ensure the proper and strategic use of OCDETF resources and to effectively monitor Program performance across all Departments and participating agencies. However, Congress repeatedly expressed concern with funding non-DOJ agencies via a DOJ appropriations account, and in FY 2005, Congress decreased base funding for non-DOJ program participants.

Recognizing that uncertainty surrounding funding levels for non-DOJ participants posed great difficulties for OCDETF in terms of program planning and administration, the Administration has not submitted a consolidated budget for the program since FY 2007. Instead, funding for the OCDETF Program's non-DOJ partners was requested through direct appropriations for Treasury and DHS. Currently, only DOJ OCDETF appropriated funding comes from the ICDE account.

The OCDETF Program is directly charged with carrying out the DOJ drug supply reduction strategy, and all of its activities are aimed at achieving a measurable reduction in the availability of drugs in this country. The disruption and dismantlement of drug trafficking networks operating regionally, nationally, and internationally is a critical component of the supply reduction effort. In particular, the OCDETF Program requires that in *each* OCDETF case, investigators identify and target the financial infrastructure that permits the drug organization to operate.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013. The Table represents obligations from the ICDE account incurred by OCDETF for drug control purposes. All amounts are net of reimbursable agreements.

Data - All accounting information for the OCDETF Program is derived from the DOJ Financial Management Information System 2 (FMIS2). ICDE resources are reported as

100 percent drug-related because the entire focus of the OCDETF Program is drug control.

Financial Systems - FMIS2 is the financial system used to provide all ICDE obligation data. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balances.

The Administration's request for the OCDETF Program reflects a restructuring that collapses the OCDETF Program's four areas - Investigations, Drug Intelligence, Prosecution, and Administrative Support- into two decision units- Investigations and Prosecutions. Under this methodology, the Administrative Support of the OCDETF Executive Office is pro-rated among decision units based on the percentage of appropriated ICDE Program funding. Additionally, Drug Intelligence Costs is reported as part of the Investigations Decision Unit.

The OCDETF Program's Decision Units are divided according to the two major activities of the Task Force – Investigations and Prosecutions – and reflect the amount of reimbursable ICDE resources appropriated for each participating agency. With respect to the Table of Drug Control Obligations, the calculated amounts were derived from the FMIS2 system as follows:

- a. Investigations Function - This decision unit includes the reimbursable resources that support investigative activities of the following participating agencies: the Drug Enforcement Administration; Federal Bureau of Investigation; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the U.S. Marshals Service; the OCDETF Fusion Center; and the International Organized Crime 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.

#### Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been modified from previous years.

#### Disclosure 3: Material Weaknesses or Other Findings

The OCDETF Program is a component within the DOJ Offices, Boards and Divisions (OBDs). For FY 2015, the OBDs were included in the Department of Justice (DOJ or the Department) consolidated audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2015 Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards revealed no material weaknesses.

Although no material weaknesses were noted in the DOJ's FY 2015 Independent Auditors' Report on Internal Control over Financial Reporting, the auditors identified one significant deficiency related to inadequate financial statement preparation and review controls. The auditors identified several reporting errors that were similar and pervasive indicating the Department and certain components need to enhance their existing risk assessment processes to ensure transactions with a higher risk of error are adequately monitored and process-level controls are designed at a level of precision to identify significant errors. This finding, while not a material weakness, nor specifically directed to OCDETF, is being reported by OCDETF as an "Other Finding" because it has an undetermined impact on the presentation of drug related obligations.

The DOJ Justice Management Division, Finance Staff concurred with the finding, and is currently working on a number of initiatives that will implement additional controls to increase the rigor and precision over financial reporting in the Department.

#### Disclosure 4: Reprogrammings or Transfers

There were no reprogrammings or transfers in FY 2015.

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**Organized Crime Drug Enforcement  
Task Forces Program  
Performance Summary Report**

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**U.S. Department of Justice**

Executive Office for Organized Crime Drug  
Enforcement Task Forces

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**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the Organized Crime Drug Enforcement Task Forces (OCDETF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the OCDETF system of performance reporting provides reasonable assurance that:

1. OCDETF has a system to capture performance information accurately and that system was properly applied to generate the performance data.
2. OCDETF met the reported performance targets for FY 2015.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. OCDETF has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

A handwritten signature in black ink, appearing to read "Peter Maxey", is written over a horizontal line.

Peter Maxey, Executive Officer

January 15, 2016

Date

**U.S. Department of Justice  
Organized Crime Drug Enforcement Task Forces (OCDETF) Program  
Performance Summary Report  
Related Performance Information  
For the Fiscal Year Ended September 30, 2015**

**Performance Measure: Consolidated Priority Organization Target (CPOT)–Linked Drug Trafficking Organizations Disrupted and Dismantled**

The disruption and dismantlement of a drug organization is a very complex operation that begins with investigative and intelligence activities by federal agents and culminates in federal prosecution of the parties involved. Therefore, the Office of National Drug Control Policy (ONDCP) agreed to the OCDETF Program reporting only one measure for both of the OCDETF Decision Units (Investigations and Prosecutions) as the efforts of both are needed to achieve the results tracked by the measure.

The goal of the OCDETF Program is to identify, investigate, and prosecute the most significant drug trafficking and money laundering organizations and their related enterprises, and to disrupt and dismantle the operations of those organizations in order to reduce the illicit drug supply in the United States. By dismantling and disrupting trafficking organizations that are CPOT-linked, OCDETF is focusing enforcement efforts against organizations that include heads of narcotic and/or money laundering organizations, poly-drug traffickers, clandestine manufacturers and producers, and major drug transporters, all of whom are believed to be primarily responsible for the domestic illicit drug supply. Additionally, the financial investigations conducted by OCDETF are focused on eliminating the entire infrastructure of CPOT-linked organizations and permanently removing the profits enjoyed by these most significant drug traffickers. Reducing the nation’s illicit drug supply and permanently destroying the infrastructure of significant drug trafficking organizations are critical pieces of the Attorney General’s Drug Strategy as well as the National Drug Control Strategy. By reporting on the number of CPOT-linked organizations being disrupted or dismantled, OCDETF clearly indicates the number of significant drug organizations that have been impacted by law enforcement efforts.

**Table:**

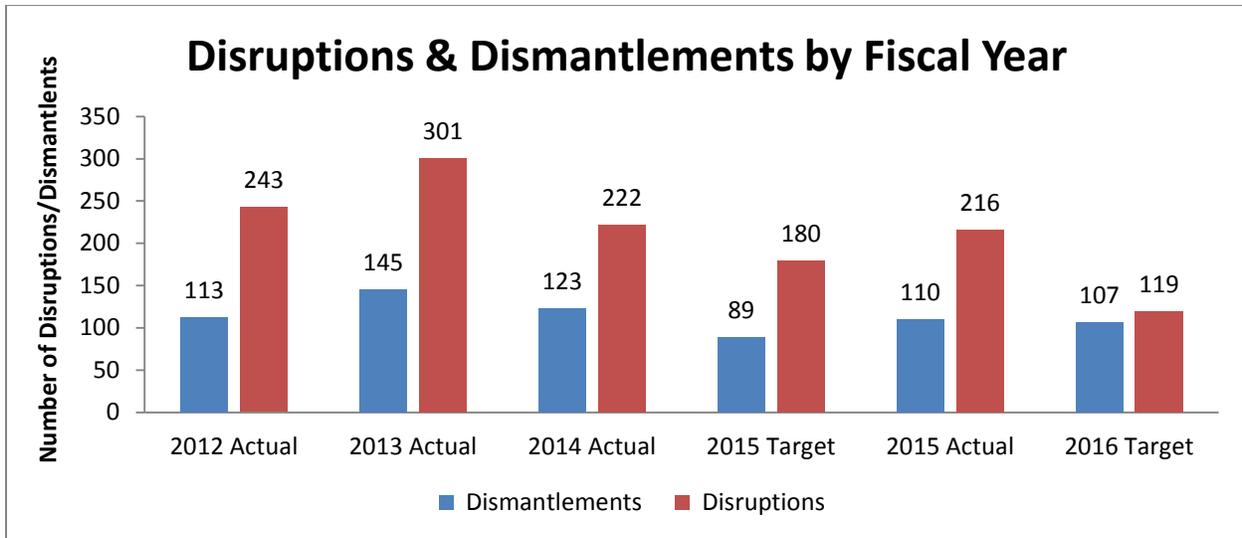
	<b>FY 2012 Actual</b>	<b>FY 2013 Actual</b>	<b>FY 2014 Actual</b>	<b>FY 2015 Target</b>	<b>FY 2015 Actual<sup>1</sup></b>	<b>FY 2016 Target</b>
<b>Dismantlements</b>	113	145	123	89	110*	107
<b>Disruptions</b>	243	301	222	180	216**	119 <sup>†</sup>

\* Breakdown by agency for OCDETF is: 110 Dismantled (80 DEA and 30 FBI)

\*\* Breakdown by agency for OCDETF is: 216 Disrupted (85 DEA and 133 FBI).

<sup>1</sup> The overlap of DEA and FBI in FY 2015 results in the reduction of two disruptions from the total numbers.

<sup>†</sup> Beginning FY 2016, DEA will no longer include Disrupted Pending Dismantled (Cat Code Ds) in the actual and target totals.



Despite diminished resources, OCDETF again achieved impressive results during FY 2015 in dismantling and disrupting CPOT-linked drug trafficking organizations. OCDETF dismantled 110 CPOT-linked organizations in FY 2015, exceeding its target by 24%. OCDETF disrupted 216 CPOT-linked organizations in FY 2015, exceeding its target for disruptions by 20%. The annual targets for the OCDETF Program’s performance measures are determined by examining current year and prior year actuals. In addition to the historical factors, resources (including funding and personnel) are also taken into account when formulating a respective target.

The FY 2016 OCDETF Dismantlements and Disruptions (D&D) target is based on the percentage of FY 2015 OCDETF D&Ds to FY 2015 Department D&Ds, and the Department’s FY 2016 target. In FY 2015, OCDETF D&Ds accounted for 51% of the Department’s disruptions and 57% of the Department’s dismantlements. The Department’s targets for FY 2016 are 233 disruptions and 188 dismantlements. Therefore, the OCDETF D&D target for FY 2016 is 119 disruptions (or 51% of the Department’s disruptions); and 107 dismantlements (or 57% of the Department’s dismantlements).

#### ***Data Validation and Verification***

The CPOT List is updated semi-annually. Each OCDETF agency has an opportunity to nominate targets for addition to/deletion from the List. Nominations are considered by the CPOT Working Group (made up of mid-level managers from the participating agencies). Based upon the Working Group’s recommendations, the OCDETF Operations Chiefs decide which organizations will be added to/deleted from the CPOT List.

Once a CPOT is added to the List, OCDETF investigations can be linked to that organization. The links are reviewed and confirmed by OCDETF field managers using the OCDETF Fusion Center, agency databases, and intelligence information. Field recommendations are reviewed by the OCDETF Executive Office. In instances where a link is not fully substantiated, the sponsoring agency is given the opportunity to follow-up. Ultimately, the OCDETF Executive Office “un-links” any investigation for which sufficient justification has not been provided.

When evaluating disruptions/dismantlements of CPOT-linked organizations, OCDETF verifies reported information with the investigating agency's headquarters.

**UNITED STATES MARSHALS SERVICE**

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**Office of the Inspector General's Independent Report  
on Annual Accounting of Drug Control Funds  
and Related Performance**

Director  
United States Marshals Service  
U.S. Department of Justice

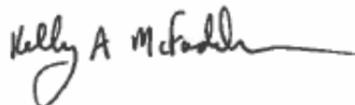
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management's Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management's Assertion Statement and the related performance information of the U.S. Department of Justice's United States Marshals Service (USMS) for the fiscal year ended September 30, 2015. The USMS's management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which would be the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the USMS prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2015, are not presented, in all material respects, in conformity with the ONDCP's Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of USMS management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Kelly A. McFadden" followed by a long horizontal flourish.

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice  
Washington, D.C.

January 15, 2016

**United States Marshals Service  
Detailed Accounting Submission**

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**U.S. Department of Justice**

United States Marshals Service

*Financial Services Division*

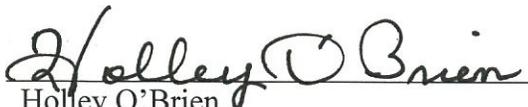
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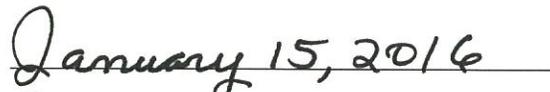
*Washington, D.C. 20530-1000*

**Detailed Accounting Submission  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the United States Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the USMS system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug methodology used by the USMS to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
2. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
3. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2015.
4. The USMS did not have any ONDCP Fund Control Notices issued in FY 2015.

  
Holley O'Brien  
Chief Financial Officer

  
Date

**U.S. Department of Justice**  
**United States Marshals Service**  
**Detailed Accounting Submission**  
**Table of Drug Control Obligations**  
**For Fiscal Year Ended September 30, 2015**  
**(Dollars in Millions)**

<b>Drug Obligations by Budget Decision Unit and Function:</b>	<b>FY 2015 Actual Obligations</b>
<b>Decision Unit #1: Fugitive Apprehension</b>	
International	\$ 1.32
Investigations	\$ 130.14
<b>Total Fugitive Apprehension</b>	\$ 131.46
 <b>Decision Unit #2: Judicial &amp; Courthouse Security</b>	
State and Local Assistance	\$ 89.33
<b>Total Judicial &amp; Courthouse Security</b>	\$ 89.33
 <b>Decision Unit #3: Prisoner Security &amp; Transportation</b>	
State and Local Assistance	\$ 49.06
<b>Total Prisoner Security &amp; Transportation</b>	\$ 49.06
 <b>Decision Unit #4: Detention Services</b>	
Corrections	\$ 479.10
<b>Total Detention Services</b>	\$ 479.10
 <b>Total Drug Control Obligations</b>	 <b>\$ 748.95</b>

**U.S. Department of Justice  
United States Marshals Service  
Detailed Accounting Submission  
Related Disclosures  
For Fiscal Year Ended September 30, 2015**

Disclosure 1: Drug Methodology

The USMS does not receive a specific appropriation for drug-related work in support of the National Drug Control Strategy. Therefore, the USMS uses drug-related workload data to develop drug control ratios for some decision units, and the average daily population (ADP) for drug offenses to determine the drug prisoner population cost for the Detention Services decision unit.

Three decision units, Fugitive Apprehension, Judicial & Courthouse Security, and Prisoner Security & Transportation, are calculated using drug-related workload ratios applied to the Salaries & Expense (S&E) Appropriation. For the Fugitive Apprehension decision unit, the USMS uses drug-related workload ratios based on the number of all warrants cleared including felony offense classifications for federal, and state and local warrants such as narcotics possession, manufacturing, and distribution. To calculate the drug-related workload percentage for this decision unit, the USMS takes the drug-related warrants cleared and divides that number by the total number of warrants cleared. For the Judicial & Courthouse Security, and Prisoner Security & Transportation decision units, the USMS uses drug-related workload ratios based only on in-custody, drug-related primary federal offenses such as various narcotics possession, manufacturing, and distribution charges. Primary offense refers to the crime with which the accused is charged that usually carries the most severe sentence. To calculate the drug-related workload percentage for these two decision units, the USMS takes the drug-related offenses in custody and divides 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 to derive the drug-related obligations.

Detention services obligations are funded through the Federal Prisoner Detention (FPD) Appropriation. The USMS is responsible for federal detention services relating to the housing and care for federal detainees remanded to USMS custody, including detainees booked for drug offenses. The FPD Appropriation funds the housing, transportation, medical care, and medical guard services for the detainees. FPD resources are expended from the time a prisoner is brought into USMS custody through termination of the criminal proceeding and/or commitment to the Bureau of Prisons. The FPD Appropriation does not include specific resources dedicated to the housing and care of the drug prisoner population. Therefore, for the Detention Services decision unit, the methodology used to determine the cost associated with the drug prisoner population is to multiply the ADP for drug offenses by the per diem rate (housing cost per day), which is then multiplied by the number of days in the year.

Data – All accounting information for the USMS, to include S&E and FPD Appropriations, is derived from the USMS Unified Financial Management System

(UFMS). The population counts and the daily rates paid for each detention facility housing USMS prisoners are maintained by the USMS in the Justice Detainee Information System (JDIS). The data describe the actual price charged by state, local, and private detention facility operators and is updated on an as needed, case-by-case basis when rate changes are implemented. In conjunction with daily reports of prisoners housed, a report is compiled describing the price paid for non-federal detention space on a weekly and monthly basis. Data are reported on both district and national levels. The daily population counts and corresponding per diem rate data capture actuals for the detention population count and for the expenditures to house the population.

Financial Systems – UFMS is the financial system that provides USMS with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

#### Disclosure 2: Methodology Modifications

The USMS drug methodology applied is consistent with prior years and there were no modifications.

#### Disclosure 3: Material Weaknesses or Other Findings

For FY 2015, the USMS was included in the Department of Justice (DOJ or the Department) consolidated financial statements audit and did not receive a separate financial statements audit. The DOJ's consolidated FY 2015 *Independent Auditors' Report on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* revealed no material weaknesses.

Although no material weaknesses were noted in the DOJ's FY 2015 Independent Auditors' Report on Internal Control over Financial Reporting, the auditors identified one significant deficiency related to inadequate financial statement preparation and review controls. The USMS contributed to this significant deficiency in the area of accounting for certain transferred budgetary financing sources. Specifically, the USMS management incorrectly accounted for the execution of budgetary financing sources transferred from the Assets Forfeiture Fund/Seized Asset Deposit Fund (AFF/SADF), and misstated its unexpended appropriations in its draft FY 2015 financial statements. The amount was recorded and reported in the incorrect component of the USMS' and the Department's net position.

The Department's Justice Management Division and the USMS management concurred with the finding, and are currently working on a number of initiatives that will implement additional controls to increase the rigor and precision over financial reporting in the Department. This finding, while not a material weakness is being reported by the USMS as an "other finding" because it has an undetermined impact on the presentation of drug related obligations.

#### Disclosure 4: Reprogrammings and Transfers

There were no reprogrammings or transfers that directly affected drug-related budgetary resources.

**United States Marshals Service  
Performance Summary Report**

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**U.S. Department of Justice**

United States Marshals Service

*Financial Services Division*

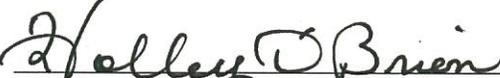
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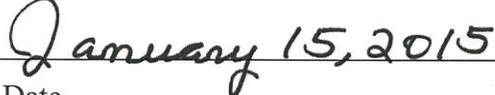
*Alexandria, Virginia 22301-1025*

**Performance Summary Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2015**

On the basis of the United States Marshals Service (USMS) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Accounting of Drug Control Funding and Performance Summary*, dated January 18, 2013, we assert that the USMS system of performance reporting provides reasonable assurance that:

1. The USMS used the Justice Detainee Information System (JDIS) to capture performance information accurately and this system was properly applied to generate the performance data.
2. The USMS met the reported performance target for FY 2015.
3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.
4. The USMS has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations (\$1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

  
\_\_\_\_\_  
Holley O'Brien  
Chief Financial Officer

  
\_\_\_\_\_  
Date

**U.S. Department of Justice  
United States Marshals Service  
Performance Summary Report  
Related Performance Information  
For Fiscal Year Ended September 30, 2015**

The USMS did not have drug-related targets for FY 2015 for performance measures 1 and 2, as agreed to by the ONDCP, but reported actual statistics on drug-related performance measures.

**Performance Measure 1: Percent of Warrants Cleared for Drug-Related Charges**

One primary function of the USMS is to execute court orders and apprehend fugitives. The Fugitive Apprehension decision unit undertakes these activities; the portions of which that are respondent to drug-related warrants support the National Drug Control Strategy. Through the development of programs such as the Major Case Fugitive Program, Regional Fugitive Task Forces, and International Fugitive Investigations, the USMS partners with state and local law enforcement and other law enforcement organizations to apprehend wanted individuals. Within the USMS organization, Deputy U.S. Marshals in the 94 federal judicial districts perform the majority of the apprehension work, while receiving support from headquarters divisions and partner organizations. Warrants cleared include felony offense classifications for federal, and state and local warrants. The cleared percentage is calculated by dividing Drug-Related Warrants Cleared by the number of Total Warrants Cleared.

<b>Fiscal Year</b>	<b>% Drug-Related Warrants Cleared</b>	<b>Total Warrants Cleared</b>	<b>Drug-Related Warrants Cleared</b>
2012 Actual	33.5%	138,028	46,200
2013 Actual	33.7%	130,368	43,920
2014 Actual	33.2%	127,797	42,483
2015 Actual	32.7%	123,967	40,586
2016 Estimate	33.3%		

For FY 2016, the USMS estimates 33.3% of Total Warrants Cleared will be drug-related. Since the USMS does not control the warrant workload it receives in any given year, this estimate is calculated as an average of the past four years. It should not be viewed as a target or measure of the effectiveness of resource allocation or effort.

***Data Validation and Verification***

This data is queried from the Justice Detainee Information System (JDIS). System administrators perform a variety of checks and updates to ensure that accurate information is contained. The information on offenses and warrants is live, so information queried for year-end reporting is a snapshot-in-time. Due to continuous user activity in JDIS, the statistics in this report cannot be exactly replicated. The data in JDIS is dynamic, and the statistics are only current as of the date and time the report was compiled.<sup>1</sup>

<sup>1</sup> JDIS data reports were generated November 2015.

## **Performance Measure 2: Percent of Offenses in Custody for Drug-Related Charges**

Another primary function of the USMS is to secure courthouses and detain prisoners during the judicial process. This is accomplished through the Judicial and Courthouse Security decision unit, and the portion of these activities respondent to drug-related offenders supports the National Drug Control Strategy. The Prisoner Security and Transportation decision unit carries out the detention-related work, the portion of which that relates to drug-related offenses supports the National Drug Control Strategy. Deputy U.S. Marshals throughout the 94 federal judicial districts perform the majority of the judicial security and detention work, while receiving support from headquarters divisions and coordinating with the Federal Bureau of Prisons for custody transfers. The Drug-Related Offenses in Custody percentage is calculated by dividing primary Drug-Related Offenses in Custody by the number of Total Offenses in Custody. This measure focuses on primary offenses.

<b>Fiscal Year</b>	<b>% Drug-Related Offenses in Custody</b>	<b>Total Offenses in Custody</b>	<b>Drug-Related Offenses in Custody</b>
2012 Actual	16.5%	133,658	22,003
2013 Actual	15.2%	141,016	21,473
2014 Actual	15.7%	118,147	18,595
2015 Actual	19.4%	103,532	20,067
2016 Estimate	16.7%		

For FY 2016, the USMS estimates 16.7% of Total Offenses in Custody will be for drug-related charges. Because the USMS does not control the nature of prisoner offenses in any given year, this estimate is calculated as an average of the past four years. It should not be viewed as a target or measure of the effectiveness of resource allocation or effort.

### ***Data Validation and Verification***

This data is queried from JDIS. System administrators perform a variety of checks and updates to ensure that accurate information is contained. The information on offenses and warrants is live, so information queried for year-end reporting is a snapshot-in-time. Due to continuous user activity in JDIS, the statistics in this report cannot be exactly replicated. The data in JDIS is dynamic, and the statistics are only current as of the date and time the report was compiled.<sup>2</sup>

## **Performance Measure 3: Per Day Jail Cost (non-federal facilities)**

The USMS is responsible for the costs associated with the care of federal detainees in its custody. The Federal Prisoner Detention appropriation, and Detention Services decision unit, provide for the care of federal detainees in private, state, and local facilities, which includes housing, subsistence, transportation, medical care, and medical guard services. The USMS does not have performance measures for costs associated exclusively with housing the drug prisoner

<sup>2</sup> JDIS data reports were generated November 2015.

population. The USMS has no control over the prisoner population count. While USMS can report data on the specific number of detainees and corresponding offense, it cannot set a performance measure based on the size and make-up of the detainee population.

The Per Day Jail Cost is an overall performance measure that reflects the average daily costs for the total detainee population housed in non-federal facilities. Non-federal facilities refer to detention space acquired through Intergovernmental Agreements (IGA) with state and local jurisdictions, and contracts with private jail facilities. The USMS established the Per Day Jail Cost performance measure to ensure efficient use of detention space and to minimize price increases. The average price paid is weighted by actual jail day usage at individual detention facilities. The difference between the 2015 Target and Actual can be attributed to an unexpected Service Contract Act (SCA) wage increase for private detention contracts and a lower than projected detention population that minimized economy of scale savings in private detention space. To regulate the average daily rate, the USMS negotiates rates with private facilities; limits the frequency of IGA adjustments; and maintains economies of scale through partnered contracting to achieve the best cost to the Government.

<b>Fiscal Year</b>	<b>\$ Per Day</b>
FY 2012 Actual	\$74.21
FY 2013 Actual	\$74.63
FY 2014 Actual	\$76.24
FY 2015 Target	\$77.37
FY 2015 Actual	\$79.24
FY 2016 Target	\$80.66

The FY 2016 target is based on the projected average price weighted by the projected prisoner population usage at individual detention facilities.

***Data Validation and Verification***

Data reported are validated and verified against monthly reports describing district-level jail utilization and housing costs prepared by the USMS. This data is queried from JDIS. System administrators perform a variety of checks and updates to ensure that accurate information is contained. The information on prisoner population is live, so information queried for year-end reporting is a snapshot-in-time. Due to continuous user activity in JDIS, the statistics in this report cannot be exactly replicated. The data in JDIS is dynamic, and the statistics are only current as of the date and time the report was compiled.<sup>3</sup>

<sup>3</sup> JDIS data reports were generated in October, 2015.



*The Department of Justice Office of the Inspector General (DOJ OIG) is a statutorily created independent entity whose mission is to detect and deter waste, fraud, abuse, and misconduct in the Department of Justice, and to promote economy and efficiency in the Department's operations. Information may be reported to the DOJ OIG's hotline at [www.justice.gov/oig/hotline](http://www.justice.gov/oig/hotline) or (800) 869-4499.*



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[www.justice.gov/oig](http://www.justice.gov/oig)