

**Review of U.S. Customs
and Border Protection's
Fiscal Year 2022 Drug
Control Budget
Formulation Compliance
Report**





OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

January 31, 2023

MEMORANDUM FOR: Troy A. Miller
Acting Commissioner
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V CUFFARI**
Inspector General

SUBJECT: *Review of U.S. Customs and Border Protection's Fiscal Year 2022 Drug Control Budget Formulation Compliance Report*

Digitally signed by
JOSEPH V CUFFARI
Date: 2023.01.30
16:09:04 -07'00'

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's Fiscal Year 2022 Drug Control Budget Formulation Compliance Report*. U.S. Customs and Border Protection's (CBP) management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the Office of National Drug Control Policy's Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

We contracted with the independent public accounting firm Williams, Adley & Company – DC, LLP (Williams Adley) to review CBP's Drug Control Budget Formulation Compliance Report. Williams Adley is responsible for the attached Independent Accountant's Report, dated January 20, 2023, and the conclusions expressed in it. Williams Adley's report contains no recommendations.

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

If you have any questions, please call me at (202) 981-6000, or your staff may call Bruce Miller, Deputy Inspector General for Audits, at the same number.

Attachment

cc: Chief Accountability Officer, CBP



DHS OIG HIGHLIGHTS

Review of U.S. Customs and Border Protection's Fiscal Year 2022 Drug Control Budget Formulation Compliance Report

January 31, 2023

Why We Did This Review

The Office of National Drug Control Policy (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, requires National Drug Control Program agencies to submit to the ONDCP Director by February 1 of each year a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year.

At least every 3 years, the Office of Inspector General is required to review the report and provide a conclusion about the reliability of each assertion made in the report.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

Williams, Adley & Company – DC, LLP (Williams Adley), under contract with the Department of Homeland Security Office of Inspector General, issued an Independent Accountant's Report on the U.S. Customs and Border Protection's (CBP) FY 2022 Drug Control Budget Formulation Compliance Report. CBP management prepared the Budget Formulation Compliance Report and the related assertions to comply with the requirements of the ONDCP Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021.

Based on its review, nothing came to Williams Adley's attention that caused it to believe that CBP's FY 2022 Budget Formulation Compliance Report and related assertions are not presented in conformity with the criteria in the ONDCP Circular. Williams Adley did not make any recommendations as a result of its review.



Independent Accountant's Review Report

Inspector General
United States Department of Homeland Security

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) of the U.S. Department of Homeland Security's (DHS) U.S. Customs and Border Protection (CBP) for the year ended September 30, 2022. CBP management is responsible for the preparation of the BFCR in conformity with the requirements of the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion about the BFCR based on our review.

Our review was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR or related assertions in order for them to be in accordance with the Circular. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether CBP's BFCR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

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

Among other requirements, the Circular requires CBP to submit their summer drug budget directly to the Office of National Drug Control Policy (ONDCP) at the same time their budget requests are provided to their agency heads. Based on our review, we determined CBP did not submit its summer drug budget to ONDCP directly. Rather, CBP submitted its summer drug budget to the DHS Budget Division Formulation Team for subsequent transmission to ONDCP. Although the process utilized does not align to the Circular requirements, because CBP's assertion is accurate, our conclusion is not modified.

Based on our review, we are not aware of any material modifications that should be made to the BFCR or related assertions for the year ended September 30, 2022, for them to be in conformity with the requirements set forth in the Circular.

The purpose of this report is to authenticate the BFCR as required by the Circular based on our review and is not suitable for any other purpose. This report is intended solely for the information and use of DHS Office of Inspector General, CBP, and the ONDCP, and is not intended to be, and should not be, used by anyone other than the specified parties.

Williams, Adley & Company-DC, LLP
Washington, D.C.
January 20, 2023

1300 Pennsylvania Avenue NW
Washington, DC 20229



U.S. Customs and Border Protection

January 20, 2023

Dr. Rahul Gupta
Director
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Dr. Gupta:

Enclosed is the CBP FY 2022 Budget Formulation Compliance Report (BFCR) on National Drug Control Funding. In FY 2022, CBP reported direct obligations of approximately \$3,436.2 million.

If you have any questions or would like additional information, please contact me at (202) 325-4054.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey Caine".

Jeffrey Caine
Chief Financial Officer & Assistance Commissioner
Office of Finance
U.S. Customs and Border Protection
Department of Homeland Security

**U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. CUSTOMS AND BORDER PROTECTION
Budget Formulation Compliance Report for Fiscal Year 2022 Drug Control Funds**

BUDGET FORMULATION COMPLIANCE REPORT (BFCR)

A. Summer Budget Formulation Information

(1) Summer Drug Budget Transmittal

CBP's Fiscal Year (FY) 2024 Summer Drug Budget Transmittal was provided to the Department of Homeland Security (DHS) Budget Office on July 22, 2022, for further transmission by DHS to ONDCP on July 22, 2022.

(2) Summary Table of Fiscal Year 2022 Summer Drug Control Obligations

	Budget Authority (in Millions)		
	FY 2022 Enacted	FY 2023 President's Budget	FY 2024 Summer Budget
Drug Resources by Function			
Intelligence	\$1,053.432	\$1,107.149	\$1,099.404
Interdiction	\$2,302.788	\$2,264.419	\$2,331.060
Total Drug Resources by Function	\$3,356.220	\$3,371.568	\$3,430.464
Drug Resources by Decision Unit			
Operations and Support	\$3,191.466	\$3,252.150	\$3,331.560
<i>Border Security Operations</i>	\$756.581	\$760.655	\$780.187
<i>Trade and Travel Operations</i>	\$1,585.461	\$1,604.910	\$1,653.313
<i>Integrated Operations</i>	\$791.439	\$827.625	\$833.313
<i>Mission Support</i>	\$57.985	\$58.960	\$64.747
Procurement, Construction, and Improvements	\$164.754	\$119.418	\$98.904
<i>Border Security Operations</i>	\$38.400	\$12.075	\$12.245
<i>Trade and Travel Operations</i>	\$66.990	\$0	\$0
<i>Integrated Operations</i>	\$59.364	\$107.343	\$86.659
Total Drug Resources by Decision Unit	\$3,356.220	\$3,371.568	\$3,430.464
Drug Resources Personnel Summary			
Total FTEs (direct only)	12,280	11,783	11,939
Drug Resources as a Percent of Budget			
Total Agency Budget (in Billions)	\$15.95	\$17.45	\$17.8
Drug Resources Percentage	21%	19.3%	19.3%

B. Assertions

(1) Timeliness of Summer Budget Submission

CBP asserts that the FY 2024 Summer Drug Budget submitted to ONDCP was provided to the Department of Homeland Security (DHS) Budget Office, who then provided it to ONDCP on the same date as identified in the section above.

(2) Funding Levels Represent Bureau-Level Request

CBP asserts that the funding request in the FY 2024 Summer Drug Budget submission provided to ONDCP by the DHS Budget Office represents the funding levels in the budget submission made by CBP to DHS, without alteration or adjustment by any official at DHS.



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Appendix A
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