



# U.S. DEPARTMENT OF HOMELAND SECURITY **OFFICE OF INSPECTOR GENERAL**

OIG-24-14

January 23, 2024

## **FINAL REPORT**

# **Review of U.S. Customs and Border Protection's Fiscal Year 2023 Drug Control Budget Formulation Compliance Report**





# OFFICE OF INSPECTOR GENERAL

U.S. Department of Homeland Security

Washington, DC 20528 | [www.oig.dhs.gov](http://www.oig.dhs.gov)

January 23, 2024

MEMORANDUM FOR: Troy A. Miller  
Senior Official Performing the Duties of the Commissioner  
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D. **JOSEPH V**  
Inspector General **CUFFARI** Digitally signed by JOSEPH V CUFFARI  
Date: 2024.01.09 16:50:48 -0700

SUBJECT: ***Review of U.S. Customs and Border Protection's Fiscal Year 2023 Drug Control Budget Formulation Compliance Report.***

Attached for your information is our final report, *Review of U.S. Customs and Border Protection's Fiscal Year 2023 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 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 (William Adley) to review CBP's Drug Control Budget Formulation Report. William Adley is responsible for the attached Independent Accountant's Review Report, dated January 17, 2024, and the conclusions expressed in it. William 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.

Please contact me with any questions, or your staff may contact Kristen Bernard, Deputy Inspector General for Audits, at (202) 981-6000.

Attachment

*OIG Project No. 23-060-AUD-CBP*



# DHS OIG HIGHLIGHTS

## Review of U.S. Customs and Border Protection's Fiscal Year 2023 Drug Control Budget Formulation Compliance Report

January 23, 2024

### 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](mailto: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 2023 Drug Control Budget Formulation Compliance Report. CBP's 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 2023 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.



## 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) Customs and Border Protection (CBP) for the year ended September 30, 2023. 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 for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether CBP's BFCR and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Because of the limited nature of the engagement, the level of the assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Among other requirements, the Circular requires CBP to submit its summer drug budget directly to the Office of National Drug Control Policy (ONDCP) at the same time its budget requests are provided to its 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 CBP utilized does not align to the Circular requirements, we are not modifying our conclusion because CBP's assertion is accurate.

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, 2023, in order 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 z Company-DC, LLP*

Washington, D.C.

January 17, 2024

1300 Pennsylvania Avenue NW  
Washington, DC 20229



## U.S. Customs and Border Protection

January 17, 2024

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

Dear Dr. Gupta:

Enclosed is CBP's FY 2023 Budget Formulation Compliance Report (BFCR) on National Drug Control Funding. In FY 2023, CBP reported enacted obligations of approximately \$4,005.6 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 & Assistant 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 2023 Drug Control Funds**

BUDGET FORMULATION COMPLIANCE REPORT (BFCR)

**A. Summer Budget Formulation Information**

**(1) Summer Drug Budget Transmittal**

CBP's Fiscal Year (FY) 2025 Summer Drug Budget Transmittal was provided to the Department of Homeland Security (DHS) Budget Office on July 3, 2023, for further transmission by DHS to ONDCP on July 3, 2023.

**(2) Summary Table of Fiscal Year 2023 Summer Drug Control Obligations**

	FY 2023 Enacted	Budget Authority (in Millions)	
		FY 2024 President's Budget	FY 2025 Summer Budget
<b>Drug Resources by Function</b>			
Intelligence	\$603.092	\$607.425	\$629.530
Interdiction	\$3,402.498	\$3,747.203	\$3,132.560
<b>Total Drug Resources by Function</b>	<b>\$4,005.590</b>	<b>\$4,354.628</b>	<b>\$3,762.090</b>
<b>Drug Resources by Decision Unit</b>			
Operations and Support	<b>\$3,763.908</b>	<b>\$3,865.777</b>	<b>\$3,681.004</b>
<i>Border Security Operations</i>	\$1,113.714	\$1,091.270	\$824.334 <sup>1</sup>
<i>Trade and Travel Operations</i>	\$1,747.743	\$1,815.894	\$1,874.947
<i>Integrated Operations</i>	\$850.607	\$890.457	\$927.613
<i>Mission Support</i>	\$51.844	\$68.156	\$54.100
Procurement, Construction, and Improvements	<b>\$241.682</b>	<b>\$488.851</b>	<b>\$81.086</b>
<i>Border Security Operations</i>	\$105.139	\$114.784	\$9.810
<i>Trade and Travel Operations</i>	\$59.634	\$305.400	\$0
<i>Integrated Operations</i>	\$76.909	\$68.667	\$71.276
<b>Total Drug Resources by Decision Unit</b>	<b>\$4,005.590</b>	<b>\$4,354.628</b>	<b>\$3,762.090</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	12,110	14,687	12,851
<b>Drug Resources as a Percent of Budget</b>			
Total Agency Budget (in Billions)	\$20.86	\$19.53	\$19.65
Drug Resources Percentage	19.2%	22.3%	19.1%

<sup>1</sup> To balance operational priorities vis-à-vis top line limitations, USCBP's request of investment funds under the PC&I appropriation declined between FY 2024 and FY 2025.

**B. Assertions**

**(1) Timeliness of Summer Budget Submission**

CBP asserts that the FY 2025 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 2025 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.





## OFFICE OF INSPECTOR GENERAL

*U.S. Department of Homeland Security*

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### **Appendix A: Report Distribution**

#### **Department of Homeland Security**

Secretary  
Deputy Secretary  
Chief of Staff  
Deputy Chiefs of Staff  
General Counsel  
Executive Secretary  
Director, GAO/OIG Liaison Office  
Under Secretary, Office of Strategy, Policy, and Plans  
Assistant Secretary for Office of Public Affairs  
Assistant Secretary for Office of Legislative Affairs

#### **U.S. Customs and Border Protection**

Commissioner  
Chief Financial Officer  
Audit Liaison  
Chief Accountability Officer

#### **Office of Management and Budget**

Chief, Homeland Security Branch  
DHS OIG Budget Examiner

#### **Congress**

Congressional Oversight and Appropriations Committees

#### **Office of National Drug Control Policy**

Associate Director for Management and Administration

## Additional Information

To view this and any other DHS OIG reports, Please visit our website: [www.oig.dhs.gov](http://www.oig.dhs.gov)

For further information or questions, please contact the DHS OIG Office of Public Affairs via email: [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov)



## DHS OIG Hotline

To report fraud, waste, abuse, or criminal misconduct involving U.S. Department of Homeland Security programs, personnel, and funds, please visit: [www.oig.dhs.gov/hotline](http://www.oig.dhs.gov/hotline)

If you cannot access our website, please contact the hotline by phone or mail:

Call: 1-800-323-8603

U.S. Mail:  
Department of Homeland Security  
Office of Inspector General, Mail Stop 0305  
Attention: Hotline  
245 Murray Drive SW  
Washington, DC 20528-0305