



# Review of the Federal Bureau of Investigation's Accounting of Drug Control Funding Fiscal Year 2024



AUDIT DIVISION

25-030

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**FEBRUARY 2025**

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REDACTED FOR PUBLIC RELEASE

*Redactions were made to the full version of this report because it contained information that the Department identified as pre-decisional budget information.*



# EXECUTIVE SUMMARY

## Review of the Federal Bureau of Investigation's Accounting of Drug Control Funding Fiscal Year 2024

### Objective

Pursuant to 21 U.S.C. § 1704(d), as implemented by the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular), the U.S. Department of Justice Federal Bureau of Investigation (FBI) is required to submit to the Director of ONDCP a detailed accounting of all funds expended for National Drug Control Program activities during the previous fiscal year. Additionally, at least every 3 years, the Office of the Inspector General (OIG) is required by the Circular to authenticate and express a conclusion about the reliability of the detailed accounting of funds prior to FBI management's submission to the ONDCP.

### Results in Brief

The OIG concluded that it is not aware of any material modifications that should be made to the detailed accounting of drug control funding for the year ended September 30, 2024, in order for it to be in accordance with the Circular.

### Recommendations

No recommendations were provided in this report.

### Audit Results

The OIG performed an attestation review of the FBI's detailed accounting of all funds expended for National Drug Control Program activities during the year ended September 30, 2024. The detailed accounting includes the Budget Formulation Compliance Report (BFCR), Detailed Accounting Report (DAR), and related assertions by FBI management. The FBI reported approximately \$179 million of drug control obligations for fiscal year 2024.

The purpose of the review was to express a conclusion about whether we are aware of any material modifications that should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the requirements set forth in the Circular. We concluded that we are not aware of any such material modifications. For fiscal year 2023, the OIG also concluded that no material modifications were needed to FBI's submission to the ONDCP (OIG Audit Division Report Number 24-028).

The review was performed in accordance with the attestation standards contained in Government Auditing Standards. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance of the subject matter in order to express an opinion. Accordingly, we do not express such an opinion.

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## OFFICE OF THE INSPECTOR GENERAL'S INDEPENDENT REVIEW REPORT

Acting Director  
Federal Bureau of Investigation

We have reviewed the accompanying Budget Formulation Compliance Report (BFCR) and Detailed Accounting Report (DAR) of the U.S. Department of Justice (DOJ) Federal Bureau of Investigation (FBI) for the fiscal year ended September 30, 2024. FBI management is responsible for the preparation of the BFCR and DAR in accordance with the Office of National Drug Control Policy (ONDCP) Circular, National Drug Control Program Agency Compliance Reviews, dated September 9, 2021 (the Circular). Our responsibility is to express a conclusion on management's assertions based on our review.

Our review was conducted in accordance with standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require us to plan and perform the review to obtain limited assurance about whether any material modifications should be made to the BFCR, DAR, or related assertions in order for them to be in accordance with the Circular. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the BFCR, DAR, and related assertions are in accordance with the Circular, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

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

Based on our review, we are not aware of any material modifications that should be made to the BFCR, DAR, or related assertions for the year ended September 30, 2024, in order for them to be in accordance with the requirements set forth in the Circular.

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

Kelly A. McFadden, CPA  
Director, Financial Statement Audit Office  
U.S. Department of Justice Office of the Inspector General  
Washington, D.C.  
January 17, 2025



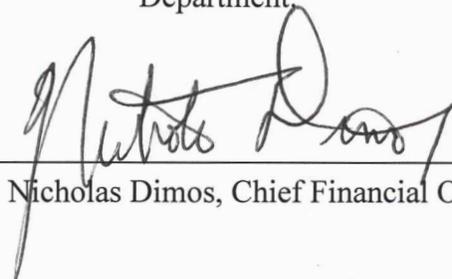
**U.S. Department of Justice**  
Federal Bureau of Investigation

Washington, D. C. 20535-0001

**U.S. Department of Justice**  
**Federal Bureau of Investigation**  
**Budget Formulation Compliance Report**  
**Management's Assertion Statement**  
**For Fiscal Year Ended September 30, 2024**

On the basis of the Federal Bureau of Investigation's (FBI) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the FBI's system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The summer drug budget submitted to ONDCP in response to ONDCP Circular, Budget Formulation, Section 9.a.(1) was submitted to ONDCP at the same time as that budget request was submitted to the Department of Justice management in accordance with 21 U.S.C § 1703(c)(1)(A).
2. The funding requests submitted to ONDCP in the Summer Drug Budget Resource Summary Table represents the funding levels in the budget submission made by the FBI to the Department without alteration or adjustment by any official at the Department.

  
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Nicholas Dimos, Chief Financial Officer

1/17/25  
\_\_\_\_\_  
Date

Department of Justice - Federal Bureau of Investigation

Dollars in Millions - Total Drug Resources

Resource Summary	FY 2024 Enacted	FY 2025 President's Budget	FY 2026 Spring
<b>Drug Resources by Decision Unit and Function:</b>			
<b>Decision Unit: Intelligence</b>			
<i>Intelligence</i>	11.902	12.960	
<b>Total Drug Resources by Funding</b>	<b>\$ 11.902</b>	<b>\$ 12.960</b>	<b>\$</b>
<b>Decision Unit: Criminal Enterprises/Federal Crimes</b>			
<i>Investigations</i>	166.317	175.855	
<i>Harm Reduction</i>	0.050	0.050	
<b>Total Drug Resources by Funding</b>	<b>\$ 166.367</b>	<b>\$ 175.905</b>	<b>\$</b>
<b>Total Drug Funding</b>	<b>\$ 178.27</b>	<b>\$ 188.87</b>	<b>\$</b>
<b>Drug Resources Personnel Summary</b>			
Total FTEs (direct only)	945	939	
<b>Drug Resources as a Percent of Budget</b>			
*Total Agency Budget (in billions)	\$10.6	\$11.2	
Drug Resources Percentage	1.7%	1.7%	

\*Total Agency Budget does not include emergency supplemental funding or reimbursable funding



U.S. Department of Justice

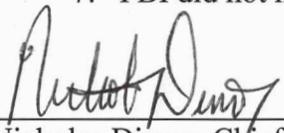
Federal Bureau of Investigation

Washington, D. C. 20535-0001

**Detailed Accounting Report  
Management's Assertion Statement  
For Fiscal Year Ended September 30, 2024**

On the basis of the Federal Bureau of Investigation (FBI) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021, we assert that the FBI system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. The drug control obligations are consistent with the application of the approved methodology for calculating drug control funding against the FBI's accounting system of record for these/this Budget Decision Units/Unit.
2. The drug methodology used by the FBI to calculate obligations of budgetary resources by function and budget decision unit is reasonable and accurate in all material respects.
3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.
4. There were no material weaknesses or other findings by independent sources identified which may affect the presentation of drug-related obligations.
5. There were no modifications to the methodology used to report drug control resources.
6. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2024.
7. FBI did not have any ONDCP Fund Control Notices issued in FY 2024.

  
\_\_\_\_\_  
Nicholas Dimos, Chief Financial  
Officer

1/17/25  
\_\_\_\_\_  
Date

**U.S. Department of Justice  
Federal Bureau of Investigation  
Detailed Accounting Report  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2024  
(Dollars in Millions)**

	<b>FY 2024 Actual Obligations</b>
<b>Drug Resources by Budget Decision Unit and Function:</b>	
<b>Decision Unit #1: Intelligence</b>	
Intelligence	\$ 11.81
<b>Total Intelligence</b>	<b>\$ 11.81</b>
<b>Decision Unit #2: Criminal Enterprises and Federal Crimes</b>	
Investigations	\$ 167.23
Harm Reduction	\$ 0.04
<b>Total Criminal Enterprises and Federal Crimes</b>	<b>\$ 167.27</b>
<b>Total Obligations</b>	<b>\$ 179.08</b>
High-Intensity Drug Trafficking Area (HIDTA) Obligations	\$ 1.54
Organized Crime Drug Enforcement Task Force (OCDETF) Resources	\$ 133.69

### Disclosure 1: Drug Methodology

The FBI's resources that are scored to the National Drug Control Strategy include three priority initiatives within the Criminal Program: Transnational Organized Crime - Western Hemisphere, Joint Criminal Opioid Darknet Enforcement (JCODE), and the Prescription Drug Initiative (PDI). The total obligations for each priority initiative are calculated based on a percentage of resources from the FBI's Transnational Organized Crime - Eastern Hemisphere (TOC-E), Transnational Crime - Western Hemisphere (TOC-W), and Healthcare Fraud (HCF) programs. The total obligations from each of the above listed programs are pulled from the FBI's Unified Financial Management System (UFMS). Non-personnel funding is determined by programmatic requirements and was calculated by evaluating both the allocated resources to these three initiatives, as well as the proportion of the criminal program's investigative and intelligence efforts dedicated to drug control. Total obligations for the three programs are multiplied by the percentage of the total programmatic resources that are scored to the National Drug Control Strategy. The applied percentages are determined by the number of open cases, within the TOC-E, TOC-W, and Health Care Fraud programs that are drug related. Personnel resources are calculated based on the FBI's actual personnel time utilization, often referred to as Time Utilization and Record Keeping (TURK). Full-Time Equivalents (FTE) are used to quantify employment as a function of hours worked during a fiscal year and the data comes from payroll processed at the National Finance Center. The payroll FTE was reported by program and subprogram for Field Offices using an activity-based costing methodology incorporating both HR data and (TURK) data. The resources reported as "Intelligence" represent the resources that are scored to the Intelligence decision unit which include FBI intelligence activities focused on strategic, tactical, and network analysis; training, outreach, and collaboration; and tool development. The "Investigative" resources represent budgetary resources that are scored to the Criminal Enterprises and Federal Crimes decision unit.

### Disclosure 2: Methodology Modifications

The FBI does not have any modifications to the methodology to report.

### Disclosure 3: Material Weaknesses or Other Findings

The FBI does not have any material weaknesses or other findings to report.

### Disclosure 4: Reprogrammings or Transfers

The FBI does not have any reprogrammings or transfers to report.

### Disclosure 5: Other Disclosures

The FBI does not have any other disclosures to report.