



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



January 10, 2024

TO: Roselyn Tso
Director
Indian Health Service

FROM: /Amy J. Frontz/
Deputy Inspector General for Audit Services

SUBJECT: Independent Attestation Review: *Indian Health Service Fiscal Year 2023 Detailed Accounting Report and Budget Formulation Compliance Report for National Drug Control Activities, and Accompanying Required Assertions, (A-03-24-00351)*

We have reviewed the attached Indian Health Service (IHS) Office of National Drug Control Policy (ONDCP) Detailed Accounting Report, which includes the table of Drug Control Obligations, related disclosures, and management's assertions for the fiscal year ended September 30, 2023. We also reviewed the Budget Formulation Compliance Report, which includes budget formulation information for the fiscal year ending September 30, 2025,¹ and the Chief Financial Officer's assertions relating to the budget formulation information. IHS management is responsible for, and submitted, the Detailed Accounting Report and Budget Formulation Compliance Report, which were prepared in accordance with the ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated September 9, 2021 (ONDCP Compliance Reviews Circular). We performed this review as required by 21 U.S.C. section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7) and in compliance with the ONDCP Compliance Reviews Circular.

It is our responsibility to express a conclusion about the reliability of IHS's Detailed Accounting Report for fiscal year 2023, IHS's Budget Formulation Compliance Report for fiscal year 2025, and management's assertions based on our review.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements, as described in the U.S. Government Accountability Office (GAO) publication, *Government Auditing Standards* (April 2021). Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Detailed Accounting Report, Budget Formulation Compliance Report, and management's

¹ Although IHS's Budget Formulation Compliance Report was provided to ONDCP as of fiscal year 2023, the budget figures reflect the fiscal year 2025 funding request.

assertions for them to be in accordance with the criteria. 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 management's reports and assertions are in accordance with the criteria in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion.

Notwithstanding the limited nature of the engagement, we believe that the review evidence obtained is sufficient in accordance with attestation standards 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.

As part of our review, we performed review procedures on IHS's fiscal year 2023 Detailed Accounting Report and fiscal year 2025 Budget Formulation Compliance Report according to the ONDCP Compliance Reviews Circular's criteria. We limited our work to inquiries and analytical procedures appropriate for an attestation review. Specifically, we performed procedures for the purpose of expressing a conclusion about the reliability of each of the assertions made in IHS's reports. Those procedures included reviewing IHS's drug methodologies and reprogramming or transfer of drug control funds, if applicable. We also performed procedures to determine whether IHS submitted the summer budget timely and whether funding levels represented IHS requests.

Based on our review, we are not aware of any material modifications that should be made to IHS's Detailed Accounting Report for fiscal year 2023 and IHS's Budget Formulation Compliance Report for fiscal year 2025 and management's assertions for them to be in accordance with the ONDCP Compliance Reviews Circular.

IHS's Detailed Accounting Report and Budget Formulation Compliance Report assertions are included as Attachments A and B.²

Although this report is an unrestricted public document, the information it contains is intended solely for the information and use of Congress, ONDCP, and IHS. It is not intended to be, and should not be, used by anyone other than those specified parties. If you have any questions or comments about this report, please do not hesitate to call me, or your staff may contact Carla J. Lewis, Assistant Inspector General for Audit Services, at (202) 834-5992 or Carla.Lewis@oig.hhs.gov. Please refer to report number A-03-24-00351 in all correspondence.

Attachments

² Only the Budget Formulation Compliance Report assertions are included in Attachment B since the report contains prospective information.



MEMORANDUM TO: Director
Office of National Drug Control Policy

FROM: Chief Financial Officer
Indian Health Service

SUBJECT: FY 2023 Assertions Concerning Drug Control Accounting

In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular *Accounting of Drug Control Funding and Performance Summary*, I make the following assertions regarding the attached annual accounting of drug control funds for the Indian Health Service (IHS):

Obligations by Budget Decision Unit

I assert that obligations reported by budget decision unit are the actual obligations from the Unified Financial Management System (UFMS), the agency’s accounting system of record for these budget decision units, consistent with the drug budget methodology discussed below.

Drug Methodology

I assert that the drug methodology used to calculate obligations of prior year budgetary resources by function for all Areas and Operating Offices was reasonable and accurate in accordance with the criteria listed in Section 7b(4) of the Circular. In accordance with these criteria, I have documented/identified data which support the drug methodology, explained and documented other estimation methods (the assumptions for which are subjected to periodic review) and determined that the financial systems supporting the drug methodology yield data that present fairly, in all material respect, aggregate obligations from which drug-related obligation estimates are derived.

The IHS methodology for estimating the drug control budget was established using the amounts appropriated for the Alcohol and Substance Abuse Prevention programs authorized under Public Law (P.L.) 102-573, the Indian Health Amendments of 1992. See attached table “Alcoholism and Substance Abuse Treatment and Prevention Program authorized under P.L. 102-573” for list of programs. This table reflects estimated amounts. When originally authorized and appropriated, the funds were allocated to Tribes in their Indian Self-Determination contracts and compacts by specific programs. However, when the programs were reauthorized and captured under P.L. 102-573, some IHS Area offices allocated the funds in lump sum while others maintained the specific program breakout. Therefore, at the current time precise amounts of funding for each program are not available. The table is maintained to estimate current funding

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level and is the basis of the drug budget control methodology. Excluded is the amount for the Adult Treatment programs, which represents the original authorization for IHS to provide alcohol treatment services. The focus on alcoholism treatment is the reason for the exclusion.

Drug Resources by Decision Unit: The IHS drug control funds are appropriated in two budget line items: 1) Alcohol and Substance Abuse (ASA), and 2) Urban Indian Health Programs (UIHP). The ASA funds are primarily allocated to Tribes under their Indian Self-Determination contracts and compacts, where they manage the programs and have authority to reallocate funds to address local priorities. The portion of the alcohol fund included in the drug control budget methodology is as described above, i.e., the entire budget excluding the amount for adult treatment. The UIHP funds are allocated through contracts and grants to 501(c)(3) organizations. The portion of UIHP funds included in the drug control budget methodology is for the National Institute on Alcohol Abuse and Alcoholism programs transferred to the IHS under the UIHP budget.

Drug Resources by Function: Under the methodology, two programs through FY 2007 were identified as Prevention programs, Community Education and Training and Wellness Beyond Abstinence. In FY 2008, one half of the new funds appropriated for Methamphetamine and Suicide prevention and treatment were also included in the Prevention function. The treatment function comprises the remaining program excluding adult treatment. In addition, the amount of UIHP funds is included under the treatment function.

FY 2008, one half of the new funds appropriated for Methamphetamine and Suicide prevention and treatment was also included in the Prevention function; these funds are now referred to in the tables as substance abuse prevention and treatment.

Application of Drug Methodology

I assert that the drug methodology disclosed in this section was the actual methodology used to generate the table required by Section 6a of the Circular.

Material Weaknesses or Other Findings

None

Reprogramming or Transfers

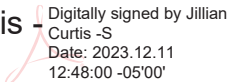
None

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Funds Control Notices

IHS was not issued any Fund Control Notices by the Director under 21 U.S.C. 1703 (f) and Section 9 of the ONDCP Circular *Budget Execution*, dated October 22, 2019.

Jillian Curtis
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A digital signature block for Jillian Curtis. It includes the name "Jillian Curtis" in a large font, a smaller "S" below it, and a red scribble representing the signature. To the right of the signature is a small box containing the text: "Digitally signed by Jillian Curtis -S", "Date: 2023.12.11", and "12:48:00 -05'00'".

Jillian Curtis

Attachments:

1. Table – Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573
2. Table – FY 2023 Drug Control Obligations

The first table attached to this report is necessary for understanding the IHS drug control budget methodology. The table titled “Alcoholism and Substance Abuse Treatment and Prevention Program Authorized Under P.L. 102-573” shows the ASA budget line item broken out by the activities originally authorized in P.L. 100-690 and later included under P.L. 102-573. This table also includes the funding within the UIHP budget line item that supports alcohol and substance abuse treatment services. However, funds are not appropriated or accounted for by these specific categories, but rather as the lump sum funds of ASA, Urban Health, and the Prescription Drug Monitoring Program. The second table shows the obligations of these funds as required by the ONDCP Circular *Accounting of Drug Control Funding and Performance Summary*.

Indian Health Service
Alcoholism and Substance Abuse Treatment
and Prevention Program
Authorized under P.L. 102-573
(Dollars in Thousands)

Amount of Funds	FY 2021 Final	FY 2022 Final	FY 2023 Enacted	Drug Control & Moyer Reports
ALCOHOL & SUBSTANCE ABUSE				
Adult Treatment.....	\$119,829	\$123,676	\$125,648	Excluded*
Regional Treatment Centers	\$24,746	\$25,541	\$25,948	Treatment
Community Education & Training.....	\$11,128	\$11,485	\$11,668	Prevention
Community Rehabilitation/ Aftercare.....	\$36,146	\$37,306	\$37,901	Treatment
Gila River.....	\$277	\$286	\$290	Treatment
Contract Health Service.....	\$12,724	\$13,133	\$13,342	Treatment
Navajo Rehab. Program....	\$490	\$506	\$514	Treatment
Urban Clinical Services.....	\$1,043	\$1,077	\$1,094	Treatment
Wellness Beyond Abstinence.....	\$1,202	\$1,241	\$1,261	Prevention
Substance Abuse Prev & Treatment 3/.....	\$43,775	\$43,775	\$48,775	50/50 Tx & Prev
Total..... 4/	\$251,360	\$258,024	\$266,440	

URBAN HEALTH PROGRAM 1/

Amount of Funds	FY 2021 Final	FY 2022 Final	FY 2023 Enacted	
Expand Urban Programs....	\$3,622	\$3,340	\$3,871	Treatment

INDIAN HEALTH FACILITIES 2/

Amount of Funds	FY 2021 Final	FY 2022 Final	FY 2023 Enacted	
Construction.....	\$0	\$0	\$0	

Alcohol/Substance Abuse	\$251,360	\$258,024	\$266,440	
Urban Health Program	3,622	3,340	3,871	
Facilities Construction	0	0	0	
GRAND TOTAL.....	\$254,982	\$261,364	\$270,311	

1/ The Urban Program was funded under P.L. 100-690, and is now funded under P.L. 102-573.

2/ These funds are included in the Outpatient Sub-sub-activity.

3/ Numbers revised to include Generation Indigenous, the Opioid initiative, and the YRTC Pilot Project - x year/no year funding starting FY 2020.

4/ FY 2022 and FY 2023 adjusted for rounding.

*Adult Treatment funds are excluded from the ONDCP Drug Control Budget and Moyer Anti-Drug Abuse methodologies because this program reflects the original authorized program for IHS with the sole focus of alcoholism treatment services for adults. This determination was made in consultation with ONDCP when the drug control budget was initially developed in the early 1990s.

**INDIAN HEALTH SERVICE
FY 2023 Drug Control Obligations**

	Enacted	Obligated
Drug Resources by Function		
Prevention	\$37,315	\$21,308
Treatment	\$107,347	\$57,424
Construction	\$0	\$0
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	\$144,662	\$78,732
 Drug Resources by Decision Unit		
Alcohol and Substance Abuse	\$140,791	\$74,861
Urban Indian Health Program	\$3,871	\$3,871
Facilities Construction	\$0	\$0
	<hr/>	<hr/>
	\$144,662	\$78,732



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Indian Health Service
Rockville MD 20857

TO: Director
Office of National Drug Control Policy (ONDCP)

FROM: Jillian Curtis
Chief Financial Officer
Indian Health Service

SUBJECT: Assertions Concerning Fiscal Year 2025 Budget Formulation Summer Submission

Jillian Curtis
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Curtis -S
Date: 2023.11.17
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In accordance with the requirements of the Office of National Drug Control Policy (ONDCP) Circular: National Drug Control Program Agency Compliance Reviews, dated October 22, 2019, I make the following assertions regarding the attached Budget Formulation Compliance Report:

Timeliness of Summer Budget Submission

I assert that the summer drug budget submitted to ONDCP under the cover letter provided in response to Section 6.a.(1) in response to ONDCP Circular: Budget Formulation, Section 9.a.(1) was provided to ONDCP at the same time as the budget request was submitted to our superiors in accordance with 21 U.S.C. § 1703(c)(1)(A).

Funding Levels Represent Bureau-Level Request

I assert that the funding request in the submission provided in Section 6.a.(2) of this circular represent the funding levels in the budget submission made by the bureau to the Department without alteration or adjustment by any official at the Department.