



**OFFICE OF  
INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

**FEB 28 2013**

Memorandum

To: Michael S. Black  
Director, Bureau of Indian Affairs

From: Kimberly Elmore *Kimberly Elmore*  
Assistant Inspector General for Audits, Inspections, and Evaluations

Subject: Office of Inspector General's Independent Report on the Bureau of Indian Affairs' Fiscal Year 2012 Accounting and Performance Summary Review Reports for the Office of National Drug Control Policy  
Report No. ZZ-IN-BIA-0002-2013

The Office of Inspector General (OIG) has reviewed two fiscal year (FY) reports prepared by the Bureau of Indian Affairs (BIA) for the Office of National Drug Control Policy (ONDCP). BIA management is responsible for these reports.

The reports, FY 2012's "Accounting Report" (Attachment 1) and "Performance Summary Review Report" (Attachment 2), are presented in place of the "Detailed Accounting Submission and Performance Summary Report" required by the ONDCP Circular titled "Drug Control Accounting," dated May 1, 2007. The Circular allows this alternative reporting method when an agency's prior-year drug-control obligations are less than \$50 million and full compliance with the Circular constitutes an unreasonable burden. BIA management has asserted that it met these criteria in FY 2012.

We reviewed this assertion in accordance with the Generally Accepted Government Auditing Standards applicable to attestations that incorporate the standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, which expresses an opinion on management's assertions. Accordingly, we do not express such an opinion.

We limited our review to the assertion that full compliance with the requirements of the Circular constituted an unreasonable burden and that BIA's drug control obligations were under \$50 million. Our objective was not to express—and we do not express—opinions or conclusions on whether the reports were fairly stated. Based on our review, nothing came to our attention that caused us to believe that BIA management had not made its assertion in accordance with the Circular.

This report is intended solely for the information of and use by BIA and ONDCP management, as well as the U.S. Congress. It should not be used by anyone other than these

parties. The distribution of our report, however, is not limited. If you have any comments or questions regarding this report, please do not hesitate to contact me at 202-208-5512.

Attachments (2)



IN REPLY REFER TO:

# United States Department of the Interior

Attachment 1


BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

**FEB 12 2013**

## Memorandum

To: Kimberly Elmore  
Assistant Inspector General for Audits, Inspections and Evaluations

From: Acting Deputy Assistant Secretary – Management 

Subject: Office of Inspector General's Independent Report on the Office of National Drug Control Policy (ONDCP) 2012 Accounting Report – Indian Affairs

Attached for your review and response is the ONDCP 2012 Accounting Report for Indian Affairs. As required by the ONDCP Circular: Drug Control Accounting dated May 1, 2007, the report show that Indian Affairs prior-year drug control obligations are less than \$50 million and is in full compliance with the requirements of the Circular and constitutes an unreasonable burden.

If you have any questions, please contact the Office of Justice Services, Charles Addington, Associate Director at 202-208-5787.

Attachment

## ONDCP 2012 Accounting Report – Indian Affairs

### Resource Summary

Prior Year Drug Control Obligations		FY 2012
Function: Prevention		(millions)
J33	Special Initiatives	9,984
	Substance Abuse - Meth Initiative	9,984
	Total FTE (Direct ONLY)	60
J34	Indian Police Academy	505
	Total ALL Functions	10,489

Full compliance with this Circular constitutes an unreasonable reporting burden. Obligations reported under this section constitute the statutorily required detailed accounting.

  
Acting Deputy Assistant Secretary - Management

2/12/13  
Date





## **FY2012**

### **ONDCP Performance Summary Review**

#### **MISSION**

The Bureau of Indian Affairs (BIA) mission is to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian tribes, and Alaskan Natives.

The BIA's Office of Justice Services (OJS) directly operates or funds law enforcement, tribal courts, and detention facilities on Federal Indian lands. The mission of the Office of Justice Services is to uphold tribal sovereignty and customs and provide for the safety of Indian communities by ensuring the protection of life and property, enforcing laws, maintaining justice and order, and by confining American Indian offenders in safe, secure, and humane environments.

#### **METHODOLOGY**

The Drug Initiative is funded within the Law Enforcement Sub activity. Eight areas comprise the Law Enforcement sub activity: Criminal Investigations and Police Services, Detention/Corrections, Inspections/Internal Affairs, Law Enforcement Special Initiatives, the Indian Police Academy, Tribal Justice Support, Program Management, and Facilities Operations and Maintenance. Ensuring the safety of tribal communities is at the heart of Indian Affairs' law enforcement mission and fully supports the Secretary's commitment to the protection of Indian Country. Within BIA's Law Enforcement sub activity, funding is provided for initiatives involving drug enforcement. The Special Initiatives line allows the Office of Justice Services to track funding for focused strategic efforts directed to a specific purpose.

**Table 1: Fiscal Year (FY) Budget authorizations**

	<b>FY 2011 Actual</b>	<b>FY 2012 Enacted</b>	<b>FY 2013 Request</b>	<b>FY 2014* Request</b>
<b>Function: Prevention</b>				
J33 Special Initiatives (\$000)	10,000	9,984	9,500	
<b>Substance Abuse - Drug Initiative</b>	10,000	9,984	9,500	
<b>Function: Education</b>				
J34 Indian Police Academy (\$000)	505	505	505	
J35 Tribal Justice Support (Victim Assistance)				
<b>TOTAL ALL Functions</b>	<b>10,505</b>	<b>10,489</b>	<b>10,005</b>	
<b>Drug Resource Summary of Personnel</b>				
Total Direct FTE Only	45	60 <sup>1</sup>	60	
<b>Drug Resource As Percent of Agency Budget</b>				
Agency Budget (\$000)	2,594,012	2,531,273	2,526,634	
Drug Resources as a Percentage of Total Agency Budget	0.40%	0.42%	0.42%	

\* FY2014 budget request is pending Passback

<sup>1</sup> FTE's in previous Performance Summary Review's did not include; School Resource Officers, Intelligence Analysts, Victim/Witness Specialists or Administrative Staff.

In FY2014 an internal transfer of the Victim Witness allocation to the Tribal Justice Support program will be requested.

**Substance Abuse – Drug Initiative (\$10,000,000)**

Indian Country is faced with increased drug trafficking and drug crime (including the ongoing methamphetamine crisis in Indian country) that is a major contributor to violent crime and has serious health and economic impacts on Indian communities. The abuse of prescription drugs is quickly becoming a crisis in Indian Country along with the illegal processes used in obtaining these drugs. The FY 2013 funding will continue to combat the highly visible drug crisis through the expansion of the drug program and training for Bureau and Tribal officers.

*Drug Enforcement* - \$8,000,000 of this funding is for direct Drug Enforcement efforts. Drug Enforcement Officers (DEOs) will manage investigations and implement interdiction programs necessary to reduce the effects of drugs and drug related crime in Indian country. The DEOs will perform activities that include the eradication of marijuana cultivations, conducting complex criminal investigations, carrying out surveillance of criminals, infiltrating drug trafficking networks, developing and implementing undercover techniques, executing search warrants, confiscating illegal drug supplies, collecting and processing evidence, writing highly detailed technical reports, giving sworn testimony in court, developing evidence to seize financial assets gained from the proceeds of drug trafficking, and establishing and maintaining cooperative relationships with other Federal, State, local, and tribal law enforcement organizations in the fight on drugs.



With 100+ schools servicing Indian Country, the School Resource Officer (SRO) program has become an important part of the OJS drug initiative. This program funds 18 SRO positions throughout Indian Country. The program provides for interaction between officers and students in the student's environment. SRO's provide instruction in drug awareness and gang resistance using a structured curriculum. SRO positions serve as the initial contact with students and educate them on the negative aspects of illegal drug use and gang activity. These positions play a key role in providing visual deterrent and identifying potential threats of school violence.

*Intelligence* - \$500,000 is allocated for the Intelligence group which is tasked with intelligence gathering, reporting and investigative support, which is needed in all parts of Indian Country to assist in drug investigations. With this component, national, regional, and local threat assessments can be established and presented to law enforcement agencies working on or near Indian country. This program will allow the production of real time data on trends, threats, and analysis of drug trafficking and distribution throughout most of Indian country, allowing investigators to have advance information and to focus on law enforcement issues.

*Victim/Witness Services* - \$1,000,000 is allocated for the Victim/Witness Services (VWS) program which provides needed support to cooperating witnesses and victims of violent and drug crimes. The protection of witnesses and victims in tribal court systems is a major issue when drug investigations are conducted. VWS can provide this needed attention to victims and witnesses at the local level when other resources are not available. Additionally, VWS staff will also provide guidance to Tribes in developing their own VWS programs. VWS will also include an effort to assess existing victim/witness programs and expand this program to all BIA law enforcement districts.

#### **Indian Police Academy (\$505,050)**

A total of \$505,050 is allocated for basic and advanced training through the Indian Police Academy located at the Department of Homeland Security's Federal Law Enforcement Training Center in Artesia, New Mexico and training outreach sites. Along with basic police, criminal investigation, and detention coursework, the Academy offers numerous advanced training courses. In FY 2013, the program will continue to provide drug training programs such as basic drug training; advanced drug training, vehicle interdiction and issues drug endangered children. With an increased focus on training and awareness, additional full-time drug enforcement agents will be better prepared to do full investigations, successful interdiction, develop task forces, increase the number of drug seizures, and effect a substantial reduction in drug trafficking.

## **PERFORMANCE INTRODUCTION**

In 2012, the Bureau of Indian Affairs (BIA) continued to see a wide range of drug activity on Indian lands throughout the United States. Information provided in this report reflects investigative activity on simple investigations as well as complex, conspiracy type, investigations. BIA DDE agents continue to refine their investigative talents leading to highly technical investigations such as court ordered Title III wire intercepts, Organized Crime Drug Enforcement Task Forces (OCDETF) cases, and Racketeer Influenced and Corrupt Organization (RICO) cases.

Aggressive marijuana eradication operations conducted in the Northeast part of the United States resulted in a successful 83% decrease in marijuana cultivation in this region for FY12. Indian Country saw an increase of 134% of drug cases opened and an increase of 281% drug related arrests made in FY12. This is the result of the success BIA OJS has had in forming partnerships and providing technical assistance and training to Indian Country law enforcement.

This report includes performance measures, targets, and achievements for the latest years for which data is available. Data was gathered and verified from the Office of Justice Services (OJS) database and the Division of Drug Enforcement (DDE) case log.

### **Performance Measure One: Number of Patrol Officers Receiving Drug Training**

In 2012, the BIA Indian Police Academy had the following training numbers. Eighty-one (81) students graduated Basic Police Training with an introduction to drug awareness and investigations. Ninety-five (95) students graduated Advanced Drug Training. Fifty-nine (59) students graduated Basic Criminal Investigator Training with an introduction to drug awareness and investigations. Twenty-four (24) students graduated Basic Drug Training. Twenty-five (25) students graduated Drug-Enforcement In-Service Training. Total law enforcement officers that received drug training in FY2012 was 284.

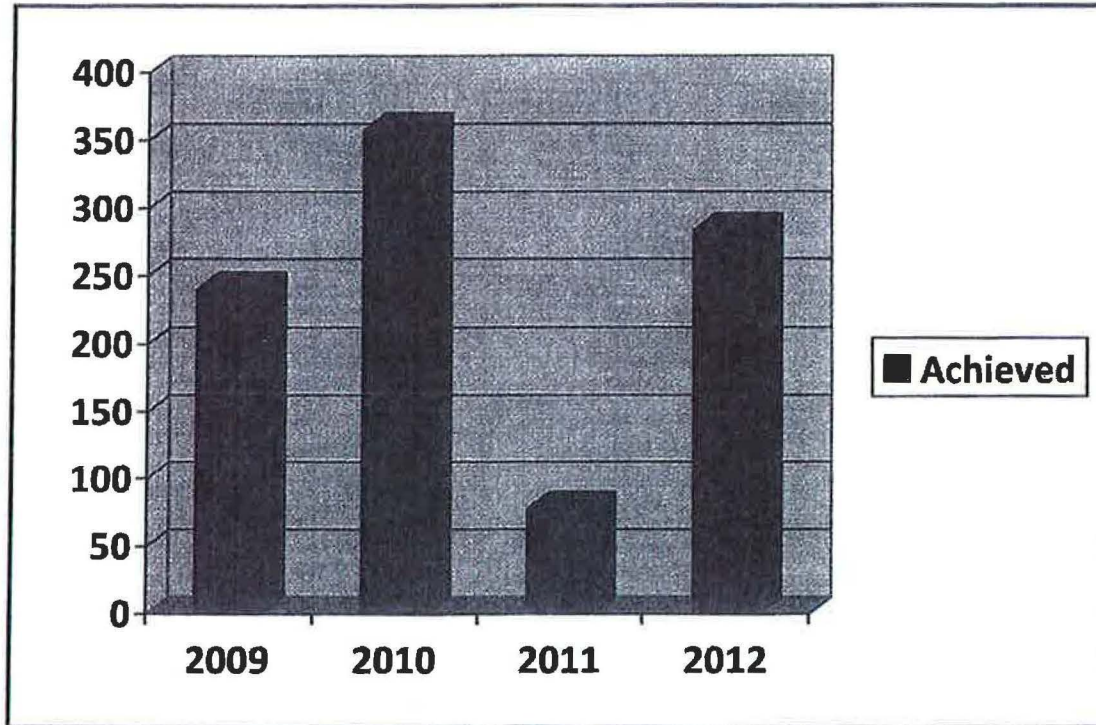
**Table 2: Patrol Officers Trained by Fiscal Year**

2009 Achieved	2010 Achieved	2011 Achieved	2012 Achieved
240	358	78*	284

*\* In 2011 advanced drug training was reassigned to the Indian Police Academy.*



**Figure 1: Patrol Officers Trained by Fiscal Year**



**Performance Measure Two: Percent increase in drug cases worked**

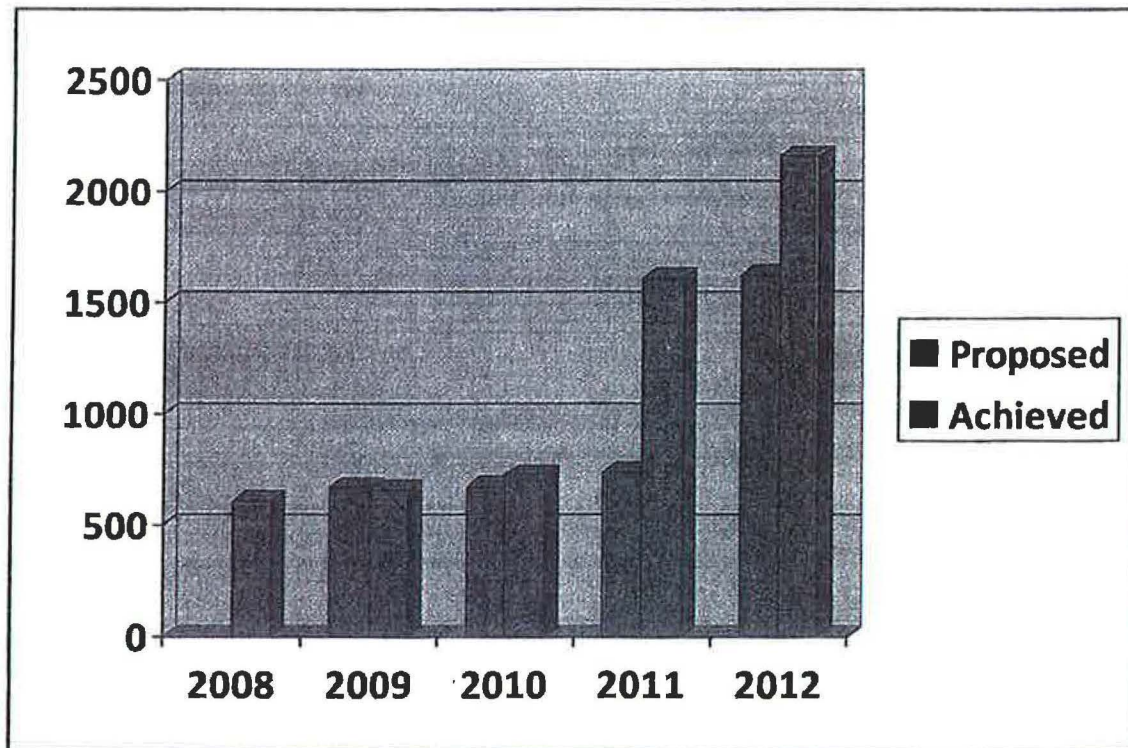
The number of drug cases reported and tracked is gleaned from data provided on monthly drug statistical reports provided by BIA and Tribal Police programs and from the BIA-DDE case log. Data provided by BIA and Tribal Police programs are entered into the OJS drug database system.

The following information documents the cases worked by **all Indian country law enforcement programs** (BIA-DDE, BIA, and Tribal). These figures demonstrate an overall **increase** of approximately **134%** in drug cases worked in Indian country in FY 2012.

**Table 3: Total number of drug cases worked by Fiscal Year**

2008 Baseline	2009 10% Proposed	2009 Achieved	2010 (+2%) Proposed	2010 Achieved	2011 (+2%) Proposed	2011 Achieved	2012 1% Proposed	2012 Achieved
606	667	656	669	722	736	1605	1621	2157

**Figure 2: Total number of drug cases worked by Fiscal Year**



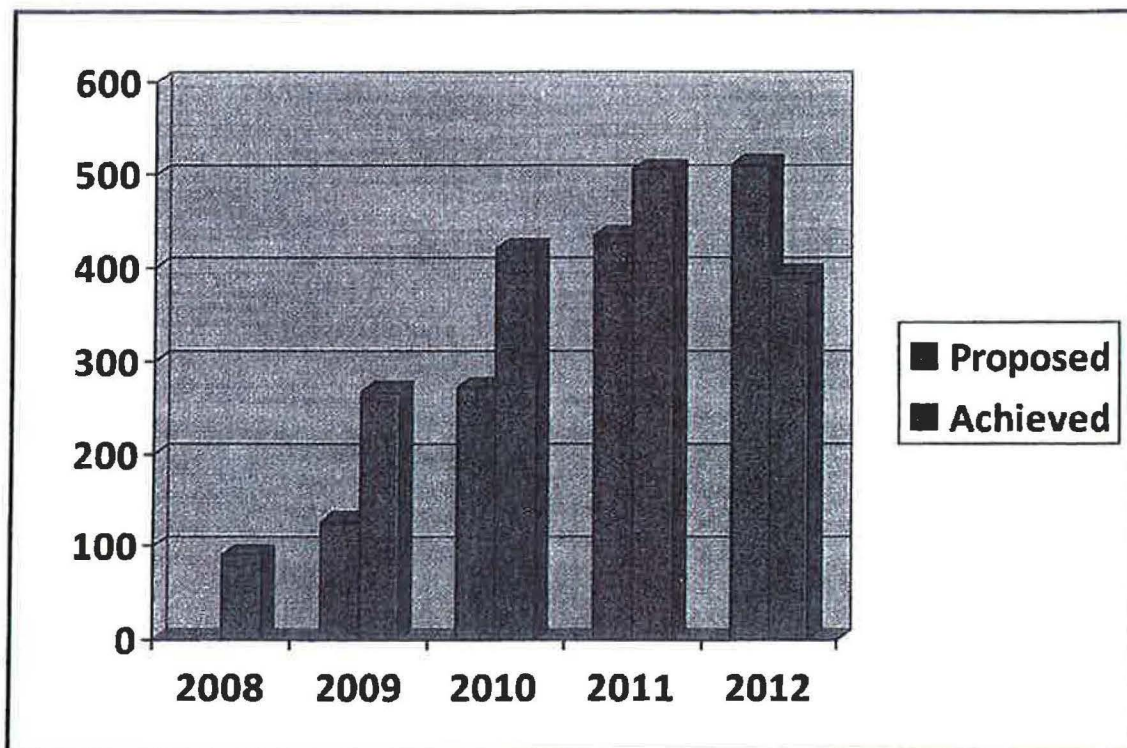
The following information documents the cases worked by the **BIA-DDE only**. These figures demonstrate an overall **decrease** of approximately **33%** in cases worked in FY 2012 due primarily in a change in focus of providing direct technical assistance to the BIA and Tribal police departments, which resulted in **160%** increase in their numbers.

**Table 4: Number of drug cases worked by DDE only by Fiscal Year**

2008 Baseline	2009 40% Proposed	2009 Achieved	2010 2% Proposed	2010 Achieved	2011 3% Proposed	2011 Achieved	2012 1% Proposed	2012 Achieved
90	126	267	272	421	434	506	511	394



***Figure 3: Number of drug cases worked by DDE only by Fiscal Year***



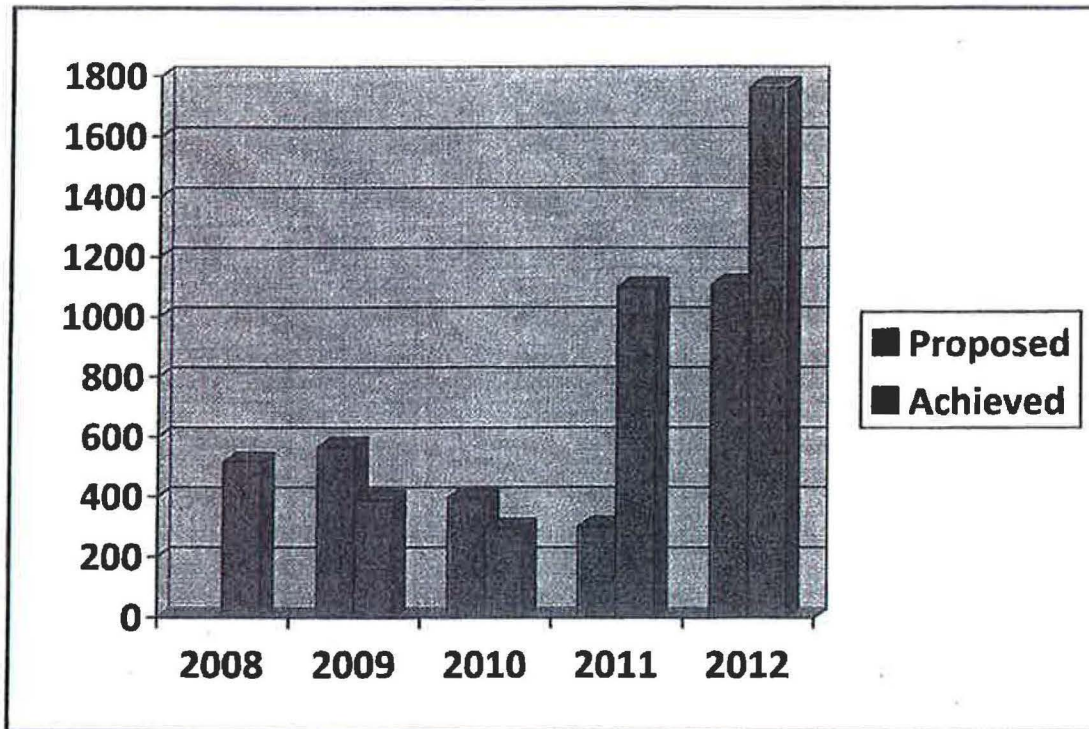
The following information documents the cases worked as reported by **BIA and Tribal police departments only**. These figures demonstrate an overall **increase** of approximately **160%** in cases worked in FY 2012.

***Table 5: Number of drug cases worked by BIA and Tribal Police Departments by Fiscal Year***

2008 Baseline	2009 10% Proposed	2009 Achieved	2010 2% Proposed	2010 Achieved	2011 2% Proposed	2011 Achieved	2012 1% Proposed	2012 Achieved
516	567	389	397	295	301	1099	1109	1763



***Figure 4: Number of drug cases worked by BIA and Tribal Police Departments by Fiscal Year***



\* The preceding information was obtained from the Lotus Notes drug database.

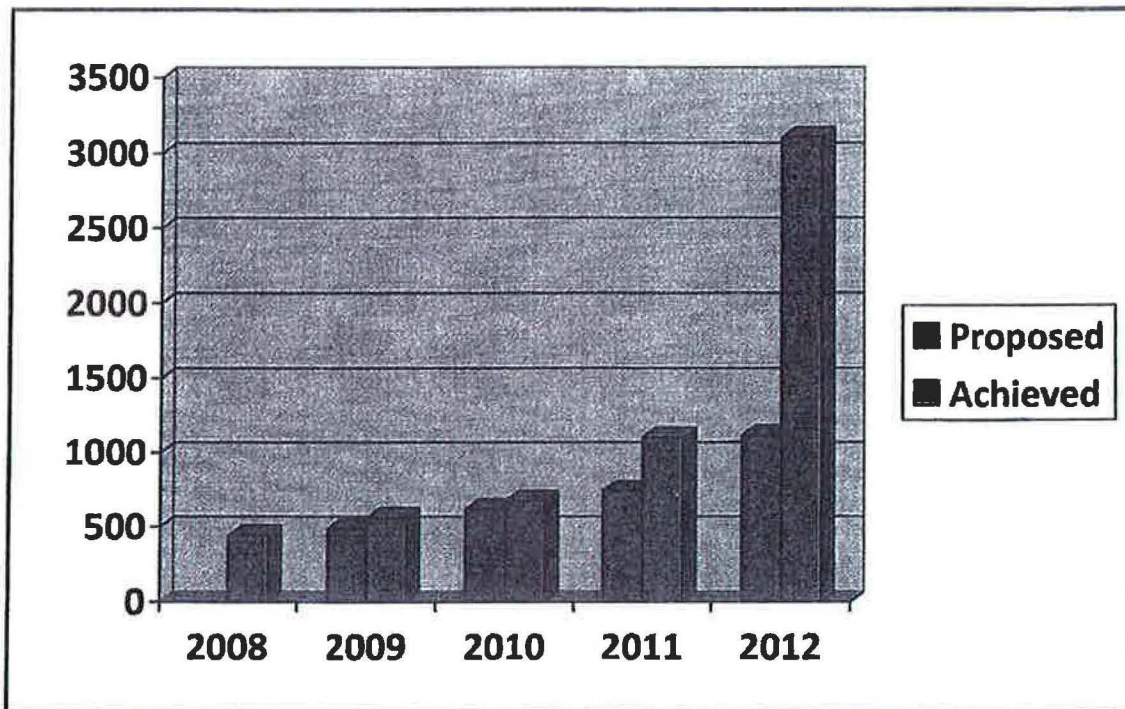
The DDE has historically experienced challenges gathering accurate data using systems developed by the BIA IT division or its contractors. Information gathered for this report and the subsequent verification process have highlighted the need for an automated data collection system. DDE has developing a process to verify tribal drug data submissions, which are reflected during this reporting period to ensure accurate data submission.

Drug Enforcement Agents are responsible for managing drug investigations and providing direct technical assistance to programs necessary to reduce the effects of drugs and drug-related crime in Indian Country. Through this technical assistance and partnership formed there has been a constant increase in arrests. In FY 2012, arrest increased by over **281%** over the 2011 figures.

***Table 6: Percent increase in number of drug related arrests by Fiscal Year***

2008 Baseline	2009 10% Proposed	2009 Achieved	2010 10% Proposed	2010 Achieved	2011 10% Proposed	2011 Achieved	2012 1% Proposed	2012 Achieved
443	487	559	615	671	738	1103	1114	3104

**Figure 5: Percent increase in number of drug related arrests by Fiscal Year**



\* The preceding information was obtained from the Lotus Notes drug database.

**Performance Measure Three: Percent increase in DDE closure rate**

DDE opened 394 cases in FY12, 202 of which were closed by arrest, indictment, or referral to another agency for a 51.26 percent closure rate. Open cases remain under active investigation. Of 394 cases opened, 357 investigations, or 90.6 percent of our investigations, occurred within reservation boundaries or upon trust/allotted lands. The remaining 9.4 percent of investigations held a direct nexus to Indian country. BIA is working on the data to report the closure rate for all drug case submission in FY2013.

**Table 7: Closure rate as compared to baseline**

2012 Baseline	2013 3% Proposed
51%	54%



**Performance Measure Four: Increase in the amount of drugs seized**

The following information documents drug seizures accomplished by the combined efforts of BIA-DDE, BIA and Tribal Police programs. These figures demonstrate an overall decrease of approximately 55% in total drugs seized by Indian Country Law Enforcement Programs in FY 2012.

BIA-DDE management reports marijuana eradication numbers represented 95% of FY2011 total drugs seized. FY12 recorded an **83% decrease** in plants seized due to the aggressive eradication efforts made in the Northwest Region of the United States in FY11. Considering DDE's success in reducing marijuana cultivation in this region additional operations are being implemented for FY13 in other regions of the US.

**Table 8: Percent increase in amount of drugs seized by Fiscal Year**

2012 All Submissions							
Increase in Amount of Drugs Seized	2009 Achieved	2010 2% Proposed	2010 Achieved	2011 2% Proposed	2011 Achieved	2012 1% Proposed	2012 Achieved
<i>FY 2009, 10, 11, 12 achieved totals represented in pounds:</i>	287,099	292,840	44,759	45,654	90,772	91,697	41,231
Cocaine Powder	178.62	182.19	106.53	108.7	7.71	7.78	21.95
Cocaine Crack	.66	.67	8.28	8.4	.43	.43	2.08
Heroin	.48	.48	.08	.081	.02	.02	6.66
MDMA (Ecstasy)	.03	.03	.15	.153	.22	.22	.92
Meth Crystal	13.75	14.02	40.87	41.6	14.0	14.1	17.39
Meth Powder	4.55	4.64	.07	.74	.14	.14	3.65
Processed Marijuana	85.49\	87.1	4,159	4,242	2,889	2,917	3,857
Prescription Drugs Seized	13.1	13.3	52.1	53.2	14.9	15.0	602.3
Other Drugs Seized	.5	.5	1.8	1.9	2.7	2.7	261.7
Marijuana (# Plants = lbs)	286,802	292,538	40,390	41,198	87,843	88,721	36,457



The following information demonstrates drug seizures accomplished by the BIA-DDE. These numbers were derived from the DDE case investigations logs, statistical reports and subtracted from the previous charts depicting the overall Indian country seizures. These figures demonstrate an overall decrease of approximately 79% in drugs seized by the BIA-DDE.

Again marijuana eradication numbers represented 95% of FY2011 total drugs seized. FY12 recorded an 83% decrease in plants seized due to the aggressive eradication efforts made in the Northwest Region of the United States in FY11. Considering DDE's success in reducing marijuana cultivation in this region additional operations are being implemented for FY13 in other regions of the US.

***Table 9: Percent increase in amount of drugs seized by DDE only by Fiscal Year***

<b>2012 BIA-DDE Only</b>							
<b>Increase in Amount of Drugs Seized</b>	<b>2009 Achieved</b>	<b>2010 2% Proposed</b>	<b>2010 Achieved</b>	<b>2011 2% Proposed</b>	<b>2011 Achieved</b>	<b>2012 1% Proposed</b>	<b>2012 Achieved</b>
<i>FY 2009, 10, 11, 12 achieved totals represented in pounds:</i>	149,713.47	152,707.73	43,762.88	44,638	90,298	91,200	19,484
Cocaine Powder	178	182	105	108	7	7	20
Cocaine Crack	.38	.38	8.1	8.3	.21	.21	.021
Heroin	.38	.38	.08	.08	.01	.01	.01
MDMA (Ecstasy)	0	0	.12	.12	.18	.18	0
Meth Crystal	0	0	40	41	13	14	4
Meth Powder	18	18	.72	.73	0	0	.03
Processed Marijuana	45	46	3,384	3,452	2,874	2,902	3,573
Prescription Drugs Seized	.01	.01	.08	.08	9	9.1	354
Other Drugs Seized	.64	.65	0	0	.3	.3	54
Marijuana (# Plants = lbs)	149,467	152,456	40,223	41,027	87,394	88,267	15,477

*\* The preceding information was obtained from the Lotus Notes drug database and DDE case logs.*

## **DISCUSSION**

In FY2012 BIA-DDE Agents were involved in the first Racketeering Influenced and Corrupt Organization (RICO) investigation to occur in Indian country that resulted in twenty-four individuals being indicted. The span of the investigation reached the multiple reservations in Minnesota.

The BIA-DDE conducted an investigation into a Conspiracy to distribute pharmaceutical drugs affecting a Tribe in North Carolina. The supply of pills originated in Haiti, were shipped into Florida, and then distributed to various locations from there. The number of pills and street value of the drugs made this investigation the largest of this type to directly affect Indian country to date.

BIA-DDE conducted a successful pharmaceutical "diversion" investigation affecting a Tribe in Oklahoma. Diversion investigations are a specialized and very sensitive field involving pharmaceutical manufacturers, distributors, pharmacies, and Doctors. This type of investigation is so specialized the DEA has a separate branch of investigators for diversion investigations.

The rapidly rising trend in the use of synthetic marijuana in Indian country and the resulting aftermath of injury and death was quickly addressed by BIA-DDE. Twenty-one synthetic marijuana cases, which included the distribution of "bath salts", were conducted in Fiscal Year 2012. The affected reservations are located in New York, North Carolina and South Dakota. In Fiscal Year 2012, the BIA-DDE seized approximately \$112,312 in cash, and approximately \$1,900 in vehicles and other assets from suspects identified in criminal cases worked on Tribal Trust and Individual Allotted lands.

The BIA also continues to work with Tribal and Federal partners to address the illegal narcotic distribution networks along the Southern and Northern Borders. In FY2012, BIA has enhanced the partnerships between Border Patrol and Tribal law enforcement officials along the Southwest Border.

The BIA continues to build the Indian Country Intelligence program to provide a solid intelligence network for tribal, Federal, State and local law enforcement to work collaboratively on information-sharing related to illegal drug activities or other law violations. The BIA Intelligence Analyst currently assigned to the El Paso Intelligence Center will continue to assist tribal and BIA law enforcement by providing intelligence and analytical assistance throughout the United States. A second Intelligence Analyst assigned to a local DEA Task Force who is stationed at McAlester, OK has worked closely with DDE agents with phone toll analysis, case mapping, pen registers, and defendant and conspiracy flow charts and spreadsheets. The BIA continues to work on expanding this intelligence capacity through partnerships with other federal and state intelligence programs that will maximize the support of BIA's overall mission.

## MANAGEMENT ASSERTIONS

**1. Performance reporting systems are appropriate and applied –**

The DDE continues to experience challenges gathering accurate data using systems developed by the BIA IT division or its contractors. Information gathered for this report and the subsequent verification process again highlighted the need for an automated data collection system. BIA is in the process of implementing a Records Management System for all BIA direct service programs.

**2. Explanations for not meeting performance targets are reasonable –**


The target for cases worked specifically by the DDE was not met due to refocusing DDE agents on drug investigations and providing drug related technical assistance to tribal law enforcement programs. As the DDE evolves into a more sophisticated division working more complex drug investigations the additional time required to work these types of cases will limit the number of cases worked in a fiscal year. However, the overall drug cases worked in Indian Country increased in FY2012.

**3. Methodology to establish performance targets is reasonable and applied –**

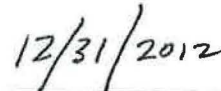
The targets were projected for FY 2012 based upon statistical data reviewed over the past two years in addition to the complexity of new drug trends identified within Indian Country.

**4. Adequate performance measures exist for all significant drug control activities—**

The agency has four (4) acceptable performance measures that adequately cover each of the decision units. Each measure considers the intended purpose of the NDCP activity.



for Director, Bureau of Indian Affairs



Date