

**DRUG ENFORCEMENT ADMINISTRATION**

(Dollars in Thousands)

	SALARIES AND EXPENSES			DIVERSION CONTROL FEE ACCOUNT			TOTAL		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
2004 Obligations .....	8,358	7,087	\$1,640,444	793	613	\$105,435	9,151	7,700	\$1,745,879
2005 Appropriation (without Rescission) .....	8,361	8,250	1,653,265	1,030	939	154,216	9,391	9,189	1,807,481
2005 Rescission -- Reduction applied to DOJ (0.54%).....	0	0	-8,928	0	0	0	0	0	-8,928
2005 Rescission -- Government-wide reduction (0.80%).....	0	0	-13,155	0	0	0	0	0	-13,155
2005 Appropriation (with Rescission) .....	8,361	8,250	1,631,182	1,030	939	154,216	9,391	9,189	1,785,398
2006 Total Request.....	8,266	8,137	1,694,156	1,127	1,095	198,566	9,393	9,232	1,892,722
Change 2006 from 2005.....	-95	-113	62,974	97	156	44,350	2	43	107,324
Adjustments to Base									
Transfers:									
DEA Marijuana Eradication transfers to OJP Cannabis Eradication program	-14	-14	-11,600	0	0	0	-14	-14	-11,600
Increases:									
2006 Pay Raise (2.3 Percent).....	0	0	17,794	0	0	1,716	0	0	19,510
Annualization of 2005 Pay Raise (3.5 Percent).....	0	0	8,465	0	0	632	0	0	9,097
Annualization of 2005 Increases.....	0	95	5,172	0	24	2,816	0	119	7,988
Annualization of 2004 Positions.....	0	0	22,103	0	0	4,591	0	0	26,694
FERS Agency Contribution Rate.....	0	0	0	0	0	589	0	0	589
Federal Health Insurance Premiums.....	0	0	0	0	0	475	0	0	475
GSA Rent .....	0	0	3,212	0	0	1,408	0	0	4,620
Overseas Capital Security-Cost Sharing .....	0	0	6,111	0	0	0	0	0	6,111
General Pricing Level.....	0	0	0	0	0	98	0	0	98
Hazardous Waste.....	8	8	0	0	0	0	8	8	0
Subtotal Increases.....	8	103	62,857	0	24	12,325	8	127	75,182
Decreases:									
Non-recurring Decreases.....	0	0	0	0	0	-590	0	0	-590
Subtotal Decreases.....	0	0	0	0	0	-590	0	0	-590
Net Adjustments to Base .....	-6	89	51,257	0	24	11,735	-6	113	62,992
2006 Current Services.....	8,355	8,339	1,682,439	1,030	963	165,951	9,385	9,302	1,848,390
Program Improvements by Strategic Goal:									
Strategic Goal Two: Enforce Federal Laws and Represent the Rights and Interests of the American People	122	70	72,936	97	132	32,615	219	202	105,551
Program Offsets.....	-211	-272	-61,219	0	0	0	-211	-272	-61,219
Net Program Improvements/Offsets.....	-89	-202	11,717	97	132	32,615	8	-70	44,332
2006 Total Request.....	8,266	8,137	1,694,156	1,127	1,095	198,566	9,393	9,232	1,892,722
Change 2006 from 2005 .....	-95	-113	62,974	97	156	44,350	2	43	107,324

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**SALARIES AND EXPENSES**  
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Comparison by activity and program	2005 Appropriation (w/ Rescission)			2006 Current Services			2006 Request			Program Improvements/Offsets		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. International Enforcement.....	891	856	\$264,205	986	934	\$287,182	1,029	970	\$323,153	43	36	\$35,971
2. Domestic Enforcement.....	7,109	7,040	1,273,979	7,022	7,065	1,311,872	7,068	7,003	1,327,650	46	-62	15,778
3. State & Local Assistance.....	361	354	92,998	347	340	83,385	169	164	43,353	-178	-176	-40,032
Total.....	8,361	8,250	1,631,182	8,355	8,339	1,682,439	8,266	8,137	1,694,156	-89	-202	11,717
Reimbursable FTE	0	1,455	0	0	1,503	0	0	1,495	0	0	-8	0
Grand Total	8,361	9,705	1,631,182	8,355	9,842	1,682,439	8,266	9,632	1,694,156	-89	-210	11,717

In 2005, DEA's decision unit structure was streamlined from 10 program activities to 3 to align the DEA's budget more closely with the mission and strategic objectives contained in the DOJ Strategic Plan (FY 2003-2008). In addition, the budget has been realigned to reflect the DEA's outputs and full costs by major program activity, including the costs of management and administration, so that a more accurate picture of total activity costs is reflected in the budget. In this way, budget and performance are more closely linked, and provide a better basis on which to make budget decisions. Over time, agencies will be expected to identify effective outcome measures, monitor their progress, and accurately present the associated costs.

Reimbursible FTE includes -8 FTE in FY 2006 as a result of the proposed elimination of the National Drug Intelligence Center.

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(Dollars in Thousands)

<u>Program Improvements by Strategic Goal</u>	<u>Perm.</u> <u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
Strategic Goal Two: Enforce Federal Laws and Represent the Rights and Interests of the American People .....	122	70	\$72,936

1. Overseas Rightsizing

**DEA requests 31 positions (19 agents), 24 workyears, and \$34,723,000** for Overseas Rightsizing as follows: 17 positions (12 agents) and \$8,221,000 to provide permanent funding for Operation Containment, DEA's Afghanistan initiative; \$4,300,000 to continue the Afghanistan Foreign Assistance and Advisory Teams (FAST) in support of the U.S. Embassy Kabul's Counternarcotics Implementation Plan; \$12,705,000 for the FY 2005 annualization and office opening and renovation costs associated with the FY 2004 reprogramming of 58 positions (including 40 agents) from the domestic to the foreign arena in FY 2005; and 14 positions (7 agents) and \$9,497,000 to enhance DEA's presence in Central Asia and the Middle East. There are no permanent FY 2006 current services resources for this initiative.

2. Intelligence Sharing

**DEA requests 36 positions (2 agents), 18 workyears, and \$15,613,000** to enhance DEA's ability to gather, analyze, and share intelligence information as follows: 2 positions and \$3,003,000 to modernize and develop standard interfaces for the Narcotics and Dangerous Drugs Information System (NADDIS); 26 positions and \$9,033,000 to expand Speedway's intelligence sources and data analysis; and, 8 positions (2 agents) and \$3,577,000 to enhance DEA's Internet investigations by creating a Virtual Private Network (VPN) for field offices. FY 2006 current services resources for this initiative are 441 positions, 441 workyears, and \$101,838,000.

3. Priority Targeting

**DEA requests 55 positions (55 agents), 28 workyears, and \$22,600,000** to strengthen DEA's efforts toward disrupting or dismantling Priority Targets, including those linked to the Attorney General's Consolidated Priority Organization Target (CPOT) list. The CPOT list represents the "Most Wanted" drug supply and money laundering organizations believed to be primarily responsible for the Nation's illicit drug supply. This initiative includes: \$4,000,000 to provide critical Title III wire intercept support to investigations; \$9,000,000 to support DEA's telecommunications intercept equipment program; and \$9,600,000 for 55 agent positions to support drug investigations. FY 2006 current services resources for this initiative are 46 positions, 45 workyears, and \$67,083,000.

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	Perm.		
	<u>Pos.</u>	<u>FTE</u>	<u>Amount</u>
Program Offsets.....	-211	-272	-61,219

The Department continues to evaluate its programs and operations with the goal of achieving across-the-board economies of scale that result in increased efficiencies, reduced duplication of effort, and cost savings. There are five parts to the proposed program offset for DEA: transfer of the Drug and Chemical Diversion Control decision unit to the Diversion Control Fee Account, elimination of DEA's Demand Reduction Program, elimination of vehicle purchases for State and Local Task Force officers, reduction of the Mobile Enforcement Teams, and savings associated with e-Training and e-Travel.

Electronic Government (e-Gov) is a central element of the President's Management Agenda and the Administration's objectives to improve information sharing, increase operational efficiency, and create more citizen-centric government services. The goals of the President's e-Gov Strategy are to eliminate redundant systems and their associated costs, and significantly improve the government's quality of customer service for citizens and businesses. The DEA is expected to achieve economies of scale and cost savings as a result of its participation in, and implementation of, e-Training and e-Travel.

1. e-Training

As part of its e-Training efforts, the Department is implementing the Justice Virtual University (JVU), a web-based learning management system that will provide accessibility and ease of identifying training and development opportunities by a variety of delivery mechanisms across Department business lines, saving instructor and travel costs. As a result, the DEA is anticipating cost savings of \$1,302,000.

2. e-Travel

As part of its e-Travel efforts, the Department is implementing the Electronic Travel Service (eTS), a web-based, end-to-end, travel management system that will be integrated with various legacy financial systems Department-wide, and will serve as the travel solution when the new Unified Financial Management System is implemented. Full implementation of eTS is expected by September 2006, leading to the aggregation and consolidation of travel management functions, reduced paper processes, more efficient travel voucher audits, and improved cycle times. As a result, the DEA is anticipating cost savings of \$1,199,000.

3. Transfer of Drug and Chemical Diversion Decision Unit

**DEA is proposing a decrease of 33 positions (29 agents), 96 workyears, and \$19,054,000** to transfer funding and positions from the Salaries and Expenses Account to the Diversion Control Fee Account (DCFA) for costs associated with investigations and enforcement actions against the illegal sale, use, or diversion of controlled substances. A portion of this proposal (\$5,619,000) is the second year annualization of the FY 2005 approved transfer of Drug and Chemical Diversion activities to the DCFA. The remaining amount (\$13,435,000) includes other activities to fully recover the necessary costs associated with the Diversion Control Program, such as additional agent, attorney, and chemist positions, and information technology.

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Perm		
<u>Pos.</u>	<u>FTE</u>	<u>Amount</u>

4. Eliminate DEA's Demand Reduction Program

**DEA is proposing the elimination of 40 positions (31 agents), 40 workyears, and \$9,297,000** related to its Demand Reduction Program to focus on supply reduction efforts.

5. Eliminate Vehicle Purchases for State and Local Task Force Officers

**DEA is proposing a decrease of \$1,264,000** to eliminate vehicle purchases for State and Local Task Force Officers in order to fund higher priority initiatives. Wherever possible, DEA will attempt to minimize any impact of this policy change through increased asset sharing with its State and Local counterparts.

6. Reduce the Mobile Enforcement Team (MET) Program

**DEA is proposing a decrease of 138 positions (123 agents), 136 workyears, and \$29,103,000** to reduce the Mobile Enforcement Team program by approximately half in order to support other higher priority initiatives. Reducing the MET Program will enable DEA to focus its efforts towards disrupting or dismantling Priority Target drug trafficking and money laundering organizations.

Total Program Improvements/Offsets, Drug Enforcement Administration.....	-89	-202	11,717
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Comparison by activity and program	2005 Appropriation (w/ Rescission)			2006 Current Services			2006 Request			Program Improvements/Offsets		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
1. Diversion Control.....	1,030	939	\$154,216	1,030	963	\$165,951	1,127	1,095	\$198,566	97	132	\$32,615

The purpose of DEA's Drug Diversion Control Program is to prevent, detect and investigate the diversion of controlled substances from legitimate channels while, at the same time, ensuring that there is an adequate uninterrupted supply of chemicals and pharmaceuticals to meet legitimate needs. DEA's Drug Diversion Control Program was delegated the responsibility for control of diversion, distribution, manufacture, and abuse of legitimate pharmaceuticals. Pursuant to Public Law 102-395, diversion control registration fees were increased to recover the entire cost of the program, starting in 1994.

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<u>Program Improvements by Strategic Goal</u>	<u>Perm. Pos.</u>	<u>FTE</u>	<u>Amount</u>
Strategic Goal Two: Enforce Federal Laws and Represent the Rights and Interests of the American People .....	97	132	\$32,615
1. Diversion Control Enforcement			
<p><b>DEA requests 109 positions (52 agents), 81 workyears and \$26,996,000</b> to strengthen the Diversion Control Program by: 1) adding intelligence analysts to the fee account to increase intelligence-driven diversion investigations; 2) increasing the number of agents dedicated to diversion investigations; and 3) transferring additional activities from the Salaries and Expenses Account to the Diversion Control Fee Account which fully recovers the necessary costs of the Diversion Control Program from fee collections. FY 2006 current services resources for this initiative are 842 positions, 838 workyears, and \$150,178,000.</p>			
2. Transfer of Chemical Program to DCFA			
<p><b>DEA proposes the transfer of -12 positions, 51 workyears and \$5,619,000</b> from the Salaries and Expenses Account to the Diversion Control Fee Account (DCFA). The amount proposed provides the full year amount associated with the transfer that was approved in FY 2005. The 12 positions are being returned to the Salaries and Expenses Account as a technical correction. This transfer, \$5,619,000, when combined with the transfer included in the Diversion Control Enforcement initiative, \$13,435,000, totals \$19,054,000 from the Salaries and Expenses Account to the DCFA which fully recovers costs from fee collections. FY 2006 current services resources for this initiative are 188 positions, 125 workyears, and \$15,773,000.</p>			
Total Program Improvements, Diversion Control Fee Account.....	97	132	32,615