



FY 2010 PERFORMANCE BUDGET

DRUG ENFORCEMENT ADMINISTRATION

U.S. Department of Justice

Congressional Budget Submission

Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet at

<http://www.usdoj.gov/jmd/2010justification/>

Table of Contents

	Page No.
I. Overview	5
II. Summary of Program Changes	29
III. Appropriations Language and Analysis of Appropriations Language	31
IV. Decision Unit Justification	
A. International Enforcement	
1. Program Description	33
2. Performance Tables	36
3. Performance, Resources, and Strategies	40
4. Program Increases (<i>CT Investments</i>)	47
B. Domestic Enforcement	
1. Program Description	53
2. Performance and Resource Tables.....	57
3. Performance, Resources, and Strategies	61
4. Program Increases (<i>Southwest Border Enforcement</i>)	69
C. State and Local Assistance	
1. Program Description	75
2. Performance and Resource Tables.....	76
3. Performance, Resources, and Strategies	79
D. Diversion Control Fee Account	
1. Program Description	83
2. Performance and Resource Tables.....	85
3. Performance, Resources, and Strategies	88
4. Program Increases (<i>Diversion Control Forensic Support</i>).....	101
V. Exhibits	
A. Organizational Chart	
B. Summary of Requirements	
C. Program Changes by Decision Unit	
D. Resources by DOJ Strategic Goal and Objective	
E. Justification for Base Adjustments	
F. Crosswalk of 2008 Availability	
G. Crosswalk of 2009 Availability	
H. Summary of Reimbursable Resources	
I. Detail of Permanent Positions by Category	

- J. Financial Analysis of Program Changes
- K. Summary of Requirements by Grade
- L. Summary of Requirements by Object Class
- M. Status of Congressionally Requested Studies, Reports, and Evaluations
- N. Financial Analysis and Cash Flow – DCFA

I. Overview for the Drug Enforcement Administration

Introduction

The Drug Enforcement Administration (DEA) is the world's leading drug enforcement agency with more than 9,000 employees, including almost 600 stationed in 62 foreign countries around the globe. As the only single-mission federal agency dedicated to drug law enforcement, DEA developed a FY 2010 budget request with the goal of providing the critical resources necessary to reduce the availability of illicit drugs and the diversion of licit drugs and precursor chemicals in America. To accomplish this, DEA requests 9,577 positions (including 4,309 Special Agents), 9,420 Full-Time Equivalents (FTE),¹ and \$2,266,472,000. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address:

<http://www.usdoj.gov/jmd/2010justification/>.

Every day, DEA wages a battle that involves disrupting² and dismantling³ significant drug trafficking and money laundering organizations, attacking the economic basis of the drug trade, and contributing to counterterrorism activities. The work is dangerous – drug traffickers can be ruthless, as demonstrated by the shocking display of drug-related violence in Mexico. And the crimes transcend standard drug trafficking – they are directly tied to issues of national security, border security, and immigration. DEA has identified the Southwest Border as an area of interest because the possibility exists for terrorist organizations to use established drug smuggling routes to smuggle dangerous individuals or weapons of mass destruction into the United States. Furthermore, since FY 2005, more than 15 percent of DEA's domestic arrests have been illegal aliens.



Drugs seized during *Operation Xcellerator*.

Given this triple threat of illegal drugs, violence, and terrorism, DEA's efforts along the Southwest Border are now more critical than ever. DEA has numerous operational efforts targeting Mexican drug trafficking cartels operating along the Southwest Border. In the past year, DEA completed several major operations that took multi-ton quantities of illicit narcotics off the streets, resulted in the seizure of millions of dollars, and led to the arrest of hundreds of cartel members.

¹ FTE amount does not include an anticipated 1,361 reimbursable FTE (including 1,003 Special Agents) for FY 2010.

² Disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

³ Dismantlement occurs when the organization's leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.

As an example, in February 2009, DEA concluded *Operation Xcellerator*, a 21-month multi-agency investigation targeting the Sinaloa Cartel. The Sinaloa Cartel dominates much of the drug smuggling on the Southwest Border and is responsible for bringing multi-ton quantities of cocaine and marijuana from Mexico into the United States through an enterprise of distribution cells in the United States and Canada. Furthermore, the Sinaloa Cartel is responsible for laundering hundreds of millions of dollars in criminal proceeds from illegal drug trafficking activities. *Operation Xcellerator* has led to the arrest of 781 individuals and the seizure of approximately \$61 million in U.S. currency and \$10 million in drug related assets. Additional seizures include more than 12.5 metric tons of cocaine, approximately 8 metric tons of marijuana, more than 1,200 pounds of methamphetamine, and 191 weapons. As DEA's most focused attack against the Sinaloa Cartel to date, *Operation Xcellerator* demonstrates DEA's relentless efforts to disrupt and dismantle major drug cartels.

Accomplishments like this clearly demonstrate DEA's ability to attack major drug trafficking organizations. Equally important is the effect enforcement operations, such as DEA's Drug Flow Attack Strategy, have on preventing associated drug crime and violence from spilling over the Southwest Border into the United States. Leveraging interagency partnerships with organizations such as the Department of Homeland Security, DEA participates in several joint initiatives including the Border Enforcement Security Task Force and the Tunnel Task Force. These task forces target human smuggling and drug trafficking organizations that provide fuel for violence along the Southwest Border. These initiatives also increase the flow of information between participating agencies regarding violent criminal organizations and gangs operating on both sides of the border.

The El Paso Intelligence Center (EPIC) is a further example of the emphasis DEA places on the Southwest Border. EPIC is a national tactical intelligence center that supports law enforcement efforts throughout the Western Hemisphere and it is DEA's long-standing and most important intelligence sharing organization focusing on the Southwest Border. Much of EPIC's success can be attributed to the strong partnerships forged among the more than 20 agencies represented at the Center, including representatives from foreign police organizations in Mexico and Colombia. DEA also has information sharing agreements with police agencies in all 50 states. Through its 24-hour Watch function, EPIC provides immediate access to participating agencies' databases to law enforcement agents, investigators, and analysts at all levels of government, throughout the United States and with some foreign nations.

Unfortunately, drug trafficking and associated crimes are not limited to the United States and its neighboring countries – the battle extends well beyond our borders into foreign lands around the globe. But DEA is making great strides against these transnational criminals and our efforts have paid large dividends. In the past year, DEA reported many significant accomplishments. On June 9, 2008, joint



Hashish located in underground bunkers in Kandahar Province, Afghanistan



Juan Carlos Ramirez-Abadia's extradition. At the time of his arrest, the U.S. State Department was offering a reward of up to \$5 million for information leading to his capture.

efforts by the Government of the Islamic Republic of Afghanistan and DEA's Foreign-Deployed Advisory and Support Teams (FAST) led to a 262-ton hashish seizure in Kandahar, the largest hashish seizure the world has ever seen. Colombia continued to remain the number one extradition partner of the United States and Mexico is now extraditing drug criminals in record rates. Notable 2008 extraditions include the May 13 extradition from Colombia of 14 alleged members of a former paramilitary and drug-trafficking group known as the Autodefensas Unidas de Colombia (AUC); the August 25 extradition of Juan Carlos Ramirez-Abadia, one of the leaders of Colombia's Norte Valle Cartel,

from Brazil; and the December 31 extradition of 10 major drug defendants from Mexico, including many who are accused of being members of Mexico's notorious drug cartels. Finally, DEA investigations have led to the arrest of two major international arms traffickers. Since the early 1970s, Monzer Al Kassar supplied weapons and military equipment to armed factions around the world. Based on a multinational DEA investigation, he was arrested in Madrid, Spain on U.S. charges of conspiring to sell millions of dollars worth of weapons to the Revolutionary Armed Forces of Columbia (FARC), extradited to the U.S., and, in February 2009, Al Kassar was sentenced to 30 years in prison. Viktor Bout, also known as the "Merchant of Death", is suspected of supplying weapons to the Taliban and Al Qaeda. In March 2008, authorities in Thailand, in cooperation with DEA, arrested Bout. The U.S. is actively pursuing his extradition on charges of conspiracy to kill U.S. nationals and U.S. officers or employees, to acquire and use an anti-aircraft missile, and to provide material support or resources to a designated foreign terrorist organization.

According to DEA's analysis of cocaine seizures, DEA's efforts have had a significant impact on the domestic drug markets. From January 2007 to December 2008, the price per pure gram of cocaine has increased 104.5 percent, from \$97.62 to \$199.60, while purity decreased 34.8 percent, from 67.2 to 43.9 percent purity. Factors contributing to these favorable results include: DEA's Drug Flow Attack Strategy; DEA-led operations such as *Operation All Inclusive*; extraditions from Mexico and Colombia; building coalitions with host nation counterparts; more than \$9 billion of revenue denied to drug traffickers from FY 2005 through FY 2008; and, the combined efforts of DEA and its Federal, State, and local law enforcement partners.

The results for domestic methamphetamine price and purity, while not as impressive as they were a year ago, are still favorable. From January 2007 to December 2008, the price per pure gram of methamphetamine increased 20.4 percent, from \$148.03 to \$178.30 while the purity increased slightly from 56.9 percent to 59.9 percent purity. However, at the end of 2007, the price per pure gram of methamphetamine was \$267.74 while the purity was 40.9 percent. Much

of the methamphetamine trend that was observed at this time last year could be attributed to the success of our enforcement efforts, state legislation and the Combat Methamphetamine Epidemic Act (CMEA), which made it difficult for producers of domestic methamphetamine to obtain the needed precursor chemicals. The partial reversal of this trend in the past 12 months is a result of drug traffickers adapting to the CMEA and changing their production and trafficking patterns. Small toxic lab seizures in the U.S. are beginning to rise again as the traffickers adapt to various forms of legislation. Domestic production is now being fueled by varying forms of “smurfing”, numerous individuals going from store to store purchasing the maximum limit at each store and then pooling their purchases. Additionally, Mexican drug trafficking organizations are producing and distributing much of the methamphetamine consumed in our country. DEA is adapting to this production shift as we focus on methamphetamine produced in Mexico and transported across the Southwest Border.

DEA’s *Operation All Inclusive*, the centerpiece of DEA’s Drug Flow Attack Strategy, has caused major disruption in the flow of cocaine, money, and chemicals between source zone areas and the U.S. Most recently, *OAI 2008* was conducted from January 15 to October 20, 2008, and involved DEA, the Joint Interagency Task Force-South (JIATF-S), Customs and Border Protection, the U.S. Coast Guard (USCG), the Defense Intelligence Agency (DIA), the Central Intelligence Agency’s Crime and Narcotics Center, the National Geospatial Intelligence Agency, the National Security Agency, the Office of Naval Intelligence (ONI), and a number of host nation counterparts. *OAI 2008* focused on disrupting the flow of drugs, chemicals, and money from the source zone (South America), through the transit zone (Mexico/Central America/Caribbean) and into the United States. This iteration expanded the geographical area of operational coverage to include portions of the Southwest Border and the Andean Region (Peru, Brazil, and Bolivia).

OAI 2008 resulted in the seizure of 100 metric tons of cocaine; the seizure of more than \$92 million in U.S. currency/assets; and the arrest of Consolidated Priority Organization Targets Jorge Mario Paredes-Cordova and Eduardo Arellano-Felix, and Priority Targets Luis Urbina-Amaya, Lester Marina-Pastor, and Juan Rivera-Perez. Additional highlights include the seizure of an underground weapons training facility in Tijuana, Mexico controlled by the Arellano-Felix drug trafficking organization; the seizure of almost \$12 million in U.S. currency from a containerized cargo at the Port of Manzanillo, Colima, Mexico; and the July 2008 seizure by the Mexican Navy of the first-ever self-propelled semi-submersible off the Pacific Coast of Mexico. A total of 5.8 metric tons of cocaine was seized and four Colombian nationals were arrested in connection with this event.

While these accomplishments are encouraging, drug abuse remains a very serious problem in the U.S. In 2005—the most recent year for which data are available—there were 22,400 drug overdose deaths in the United States, compared with just over 17,000 homicides in the same year.⁴ Compounding this loss of life is the damage from increased crime and violence, the powerful grip of addiction, lower productivity in the workforce, child abuse and neglect, environmental impacts, and the grief of lost promise. The 2007 *National Survey on Drug Use and Health (NSDUH)* indicates nearly 7 million Americans exhibit the diagnostic criteria for illicit drug abuse or dependence, with marijuana being the greatest contributor to the need for

⁴ Office of National Drug Control Policy. *National Drug Control Strategy, 2009 Annual Report*.

treatment.⁵ To rid this country of these tragic impacts, in FY 2010 DEA requests the following enhancements:

Southwest Border Enforcement: DEA requests 128 positions (including 70 Special Agents and 25 Intelligence Analysts) and \$24,075,000 to prevent the flow of drugs across our Southwest border, which remains a critical front in our Nation’s fight against both illegal drug trafficking and terrorism. These new positions will be placed along the Southwest Border and in other locations with a clear drug nexus to the border. These new Special Agents and Intelligence Analysts will target the command and control structures of the Mexican cartels most responsible for the drugs and violence coming north into our country. This request includes appropriate technical and administrative positions needed to support the investigative activities of the requested Special Agents.

Also, included in this request is \$758,000 in support of Special Field Intelligence Programs (SFIPs) that respond to National Foreign Intelligence priorities. One of DEA's responsibilities as a member of the Intelligence Community is to proactively provide reports of foreign intelligence value to the Community. The SFIPs are the primary vehicle through which DEA satisfies this responsibility. The program is designed to collect, analyze, and disseminate drug trafficking intelligence in areas where intelligence gaps exist.

Continuing Counter-Terrorism Requirements: DEA requests \$10,000,000 and 15 positions (including 9 Special Agents) to continue initiatives funded in the FY 2008 Supplemental Appropriations Act (PL 110-252). This request includes \$7,000,000 and 15 positions for DEA’s narco-terrorism initiative coordinated by the Special Operations Division and \$1,500,000 for financial investigations. The FY 2010 request also includes \$1,500,000 to operate and maintain the helicopter provided for the Western Hemisphere Foreign-deployed Advisory and Support Teams (FAST).

Diversion Control Forensic Support: DEA requests \$2,706,000 to fund 11 additional chemists who will be placed throughout the DEA laboratory system. DEA currently has eight chemist positions funded by the Diversion Control Fee Account, however this staffing level is not sufficient to analyze all diversion related exhibits in DEA labs.

FY 2010 Enhancements by Strategic Goal

Strategic Goal	Item	Dollars	Pos	Agent	FTE
1.2 , 2.4	Southwest Border Enforcement	\$24,075,000	128	70	64
1.2, 2.4	Continuing Counter-Terrorism Requirements	\$10,000,000	15	9	15
2.4	Diversion Control Forensic Support	\$2,706,000	11	0	6

⁵ Office of National Drug Control Policy. *National Drug Control Strategy, 2009 Annual Report.*

Mission

DEA's mission is to the controlled substances laws and regulations of the United States and bring to the criminal and civil justice system of the U.S., or any other competent jurisdiction, those organizations and principal members of organizations involved in the growing, manufacturing, or distribution of controlled substances appearing in or destined for illicit traffic in the U.S., including organizations that use drug trafficking proceeds to finance terror; and to recommend and support programs aimed at reducing the availability of and demand for illicit controlled substances on the domestic and international markets.

Strategic Goals

DEA operates under a combination of national strategies to reduce the use and availability of illicit drugs in America. Specifically, DEA's FY 2010 request supports the following strategic goals:

- **“Prevent Terrorism and Promote the Nation’s Security; Strengthen Partnerships to Prevent, Deter, and Respond to Terrorist Incidents”**. Strategic Goal 1; Strategic Objective 1.2; Department of Justice (DOJ) FYs 2007-2012 Strategic Plan, *Stewards of the American Dream*.
- **“Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People; Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs”**. Strategic Goal 2; Strategic Objective 2.4; DOJ FYs 2007-2012 Strategic Plan, *Stewards of the American Dream*.
- **“Disrupting the Market for Illicit Drugs”**. Chapter III; National Drug Control Strategy.
- **“Engage the Opportunities and Confront the Challenges of Globalization”**. Chapter X; National Security Strategy.
- **“Stem the flow of illicit bulk cash out of the United States”**. Goal 3; National Money Laundering Strategy.
- **“Support global anti-money laundering capacity building and enforcement efforts”**. Goal 8; National Money Laundering Strategy.

DEA's long-term goal is to contribute to DOJ's goal to reduce the supply of drugs available for consumption in the United States. In 2007, DOJ released its FYs 2007-2012 Strategic Plan, *Stewards of the American Dream*. In recognition of the challenges encountered in developing a reliable methodology for estimating the amount of drugs available for consumption in the U.S., DOJ revised its drug-related, long-term outcome goal. Specifically, DOJ created a two-part outcome goal. The first part focuses on the development of meaningful baselines for the supply of drugs available for consumption in the U.S. between FY 2007 and FY 2009 and the second

part focuses on achieving a 6 percent reduction against the established baselines between FY 2010 and FY 2012.

In regards to targeting the 51 organizations on the FY 2009 Consolidated Priority Organization Target (CPOT) list – the “Most Wanted” drug trafficking and money laundering organizations believed to be primarily responsible for the Nation’s illicit drug supply – DOJ’s long-term outcome goal is to dismantle 1,260 and disrupt 810 CPOT-linked drug trafficking organizations by FY 2012. The Organized Crime Drug Enforcement Task Force (OCDETF) Program, with its seven participating federal law enforcement agencies, is the centerpiece of the Department’s drug strategy. OCDETF’s principal mission is to identify, disrupt, and dismantle the most serious drug trafficking and money laundering organizations and those primarily responsible for the nation’s drug supply. DEA is a leading participant in OCDETF. As of September 30, 2008, DEA participated in 90 percent of all OCDETF cases, and led or co-led 81 percent of OCDETF investigations.

Recent Accomplishments

This section addresses the current challenges faced by DEA, while demonstrating our numerous accomplishments and our commitment to DOJ’s FY 2007–FY 2012 Strategic Plan and other national strategies.

Counterterrorism

DEA’s drug trafficking and money laundering enforcement initiatives also support and augment U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations, as well as the use of illicit drugs as barter for munitions to support terrorism. Although traditional criminal organizations continue to dominate the international drug trade at all levels, drug income is a source of revenue for some international terrorist groups. DEA investigations have identified links between terrorist organizations and groups and/or individuals under investigation for drug violations.

SUCCESS STORY: COUNTERTERRORISM

Haji Juma Khan Mohammadhasni (HJK), an Afghan national with close ties to the Taliban, was arrested on October 23, 2008, in Southeast Asia based on an international arrest warrant. HJK was expelled from Southeast Asia and placed into the custody of DEA Special Agents who transported him to the United States. On October 24, 2008, HJK had an initial appearance in the Southern District of New York. Since at least 1999, HJK led an international opium, morphine, and heroin trafficking organization (the “Khan Organization”) based principally in the Helmand and Kandahar provinces of southern Afghanistan. The Khan Organization arranged to sell morphine base, an opium derivative that can be processed into heroin, in quantities as large as 40 tons – enough to supply the entire U.S. heroin market for more than two years. According to the indictment, the Khan Organization also operated labs in Afghanistan that produced refined heroin and sold the drug in quantities of as much as 100 kilograms, or 220 pounds, and more. If convicted, HJK faces a maximum sentence of life and a mandatory minimum sentence of 20 years in prison.

Drugs and terror are often joined in a marriage of convenience. For example, as stated in the 9/11 Commission Report and corroborated by a significant body of DEA reporting, drug trafficking has always been a source of revenue for the Taliban, which stockpiled, controlled, and taxed Afghanistan's opium trade during their regime. This association continues today as the Taliban uses proceeds from the Afghan drug trade as a source of revenue for Anti-Coalition activities. Taliban drug-related activities include, but are not limited to: taxing opium poppy farmers, processing laboratories, and narcotics transporters passing through Taliban checkpoints and/or Taliban controlled territory; providing security to poppy fields and opium bazaars; and collecting “donations,” both monetary and supplies, such as vehicles, from wealthy drug traffickers to support the Taliban cause.

To combat this activity, DEA expanded its international presence to better attack drug trafficking and narcoterrorism by creating DEA’s eighth foreign region. This new region, which covers Afghanistan and Pakistan, will enhance the agency’s ability to target and investigate the most significant and notorious drug trafficking organizations operating in this part of the world. DEA operations in Afghanistan serve a dual purpose: preventing the country from once-again becoming a major supplier of heroin to the United States, as it was in the 1970s and 1980s, and helping stabilize the Afghanistan government as it battles the powerful drug warlords for control of portions of the country.

DEA’s presence in Afghanistan helps develop the capacity of the Afghans to conduct counterdrug operations themselves and supports and augments U.S. efforts against insurgents and terrorism both of which aid in the long-term stabilization of the country and the region. Through DEA’s successful partnerships and counternarcotics programs in Afghanistan, we deepen alliances and build new cooperative partnerships and relationships, both domestically and internationally, in the areas of interdiction, money laundering, precursor chemical control, intelligence sharing and collection, education, and training.

In FY 2009, 22 of the 51 organizations (43 percent) on the Department of Justice’s Consolidated Priority Organization Target (CPOT) list – the “Most Wanted” drug trafficking and money laundering organizations believed to be primarily responsible for the Nation’s illicit drug supply – are associated with terrorist organizations. Active terrorist-linked DEA Priority Target Organization (PTO) investigations increased from 55 cases in FY 2004 to 100 at the end of FY 2008, an 82 percent increase.

SUCCESS STORY: COUNTERTERRORISM

Khan Mohammed, an Afghan national, was arrested on Oct. 29, 2006, near Jalalabad, Nangahar Province, Afghanistan. Mohammed waived extradition and was brought from Afghanistan to the United States in November 2007. Mohammed was convicted on May 15, 2008, after a seven-day jury trial on one count of distribution of one kilogram or more of heroin knowing and intending that it be imported into the United States and one count of narco-terrorism, or the distribution of a controlled substance (in this case heroin and opium) in order to provide something of pecuniary value to a person or group that has engaged or is engaging in terrorist activity. The conviction represented the first time a defendant had been convicted in U.S. federal court of narco-terrorism since the statute was enacted in March 2006. On December 22, 2008, Mohammed was sentenced in U.S. District Court for the District of Columbia to two terms of life in prison on drug and narco-terrorism charges.

International Partnerships

Experience has shown that strong international partnerships are vital in the drug law enforcement arena. A robust partnership with Mexico and Colombia, for example, is essential if DEA is to

SUCCESS STORY:

INTERNATIONAL PARTNERSHIPS

On May 13, 2008, fourteen alleged members of a former paramilitary and drug-trafficking group known as the Autodefensas Unidas de Colombia (AUC), including high-ranking former leaders, were extradited from Colombia to the United States to face drug trafficking charges. The indicted defendants range from kingpins to bloque commanders and include two CPOTs, Hernan Giraldo Serna and Diego Fernando Murillo Bejarano. They face charges including: conspiracy to import cocaine; conspiracy to manufacture and distribute cocaine; possession, manufacture or distribution of cocaine; providing material support to a designated terrorist organization; and money laundering. With these extraditions, President Uribe once again demonstrated his unparalleled commitment to ridding Colombia of the drug trade and narco-terrorist organizations.

significantly reduce the flow of drugs to the United States and halt the smuggling of bulk cash out of our country that was generated from the sale of billions of dollars worth of illicit drugs. Colombia produces at least 90 percent of the powdered cocaine distributed to the United States and at least 63 percent of the powdered cocaine distributed globally. Most of the non-domestic marijuana available in the U.S. is grown in Mexico and it is estimated that 80 percent of the methamphetamine consumed in the U.S. now comes from Mexico-based drug trafficking organizations. Additionally, National Drug Intelligence Center estimates indicate that Mexican and Colombian drug trafficking organizations generate, remove, and launder between \$18 billion and \$39 billion in wholesale drug proceeds annually, a large portion of which is believed to be bulk-smuggled out of the United States at the Southwest Border.⁶ Working with both the

⁶ National Drug Threat Assessment 2009. National Drug Intelligence Center. December 2008.

Mexican and Colombian governments will help address these major problems.

Fear of extradition to the U.S. is a powerful tool in combating international drug traffickers. Our nation has excellent extradition relationships with many nations and DEA makes use of these arrangements whenever possible. Colombia continues to remain the number one extradition partner of the United States and Mexico is now extraditing drug criminals in record rates. Since assuming office two years ago, Mexican President Felipe Calderon has taken on corruption and drug trafficking at every level, and has ordered the extradition of unprecedented numbers of drug criminals to the United States from each of the four major cartels. Simultaneously, Colombian President Alvaro Uribe Velez has taken on the Fuerzas Revolucionarias de Colombia (FARC) and the AUC at unprecedented levels, expelling AUC leaders and taking the fight to the FARC.

In addition to extraditions from Mexico and Colombia, DEA worked with foreign counterparts on many other successful law enforcement initiatives in the past year. As an example, several corrupt public officials were targeted for their involvement in drug trafficking activities. DEA worked with Mexican law enforcement authorities to arrest Ruben Gil Campos, the Mayor of Izucar de Matamoros, Puebla, Mexico, in March 2008 for conspiracy to distribute at least 500 kilograms of cocaine per month since 2004 in the U.S. and the smuggling of \$10 million from the U.S. to Mexico over the past two years. DEA's international partnerships also led to the conviction of Jaime Enrique Romero Padilla, a former lieutenant in the Colombian National Police, in the U.S. in February 2008 on cocaine distribution charges.

Financial Investigations

DEA places a high priority on financial drug investigations by targeting the financial infrastructure of major drug trafficking organizations and members of the financial community who facilitate the laundering of their proceeds. Through DEA's Office of Financial Operations and specialized money laundering groups in each of DEA's 21 field divisions, DEA uses its drug intelligence information, technology, and special agent resources to aggressively address the drug trade business. In this effort, DEA works closely with elements of the private sector financial community to include federal and State regulators who oversee the industry.

In FY 2005, DEA established a five-year plan with annual milestones through FY 2009 to meet the challenge of crippling drug cartels so that they are unable to reconstitute their operations with new leadership. DEA plans to continue increasing its asset and drug seizures until it achieves an annual goal of \$3 billion in revenue denied to drug trafficking organizations through new domestic and international seizure strategies. The cumulative targets over this five year period total \$10 billion. In the first four years DEA has denied over \$9 billion in revenue, and most recently, DEA denied \$2.9 billion in revenue in FY 2008, 16 percent more than the goal of \$2.5 billion. DEA's revenue denied goal for FY 2009 is \$3 billion.

SUCCESS STORY:

FINANCIAL INVESTIGATIONS

***Project Reckoning**, a multi-agency law enforcement effort led by DEA, is an ongoing investigation targeting the Mexican drug trafficking cartel known as the Gulf Cartel. The Gulf Cartel is responsible for the transportation of multi-ton quantities of cocaine, methamphetamine, heroin and marijuana from Colombia, Guatemala, Panama and Mexico to the U.S., as well as the distribution of those narcotics within the U.S. The Gulf Cartel is also believed to be responsible for laundering multiple millions of dollars in criminal proceeds. Phase I of **Project Reckoning** culminated in September 2008; Phase II ended in December 2008. Together, both phases resulted in 632 arrests, the seizure of approximately \$71.8 million in U.S. currency, and 17 metric tons of cocaine. Phase I also led to the indictment of several alleged leaders of the Gulf Cartel. During Phase II, Special Agents uncovered a group of drug traffickers who ran a large gambling enterprise in Tennessee that included a massive and intricate cockfighting enterprise.*



Online Investigations

DEA combats trafficking of prescription drugs over the Internet and use of the Internet as a communication tool for drug trafficking organizations of illicit drugs. DEA investigations indicate the Internet is one of the fastest growing sources of diverted controlled substances. While surveys suggest family, friends, and doctors are still the primary sources of diverted controlled substances, the sheer volume of controlled substances being illicitly dispensed over the Internet contributes significantly to other downstream methods of diversion. In FY 2008, DEA initiated 110 Internet investigations. As a result of Internet investigations, DEA seized approximately \$12.5 million in assets during FY 2008.

The Internet is becoming an increasingly popular method of acquiring prescription drugs. Schedule III and Schedule IV drugs (e.g., anti-anxiety medications, hydrocodone, and anabolic steroids) are often purchased through the Internet. Many of these e-pharmacies are foreign-based and expose the purchaser to potentially counterfeit, contaminated, or adulterated products. To deal with the increasing opportunities for diversion created by the Internet, DEA has developed an Online Pharmacy Strategy. This strategy utilizes a combination of enforcement, regulatory,

LEGISLATIVE DEVELOPMENT:

ONLINE INVESTIGATIONS

The Ryan Haight Online Pharmacy Consumer Protection Act (Ryan Haight Act) was enacted on October 15, 2008. The Act became effective on April 13, 2009, and made it illegal under federal law to "deliver, distribute, or dispense a controlled substance by means of the Internet, except as authorized by [the Controlled Substance Act (CSA)]" or to aid or abet such activity. The Act does the following:

- *Amends the CSA by adding new provisions applicable to the distribution of controlled substances by means of the Internet and increasing the penalties applicable to the illegal distribution of controlled substances.*
- *Prohibits the selling or distribution of controlled substances over the Internet, with some exceptions, without a valid prescription by a health care practitioner who has physically examined the drug's recipient at least once. Some telemedicine practices are exempted from the in-person medical evaluation requirement.*
- *Requires pharmacies that want to dispense controlled substances on the Internet to modify their existing registration, clearly display a notification of legal compliance on the site's homepage, and disclose affiliated prescriber and pharmacy information on a site's homepage.*

and technological efforts to detect and prevent diversion, and requires the coordination of multi-agency resources and industries. Specifically, DEA coordinates Internet investigations with federal, State, and local agencies to maximize investigative resources and prosecution.

DEA also provides training and educational seminars to investigators, prosecutors, industry representatives, DEA registrants, and the public regarding online pharmacies. Additionally, DEA supports legislation and regulatory initiatives that propose to curtail and prevent diversion of controlled substances over the Internet. Finally, DEA coordinates the introduction of new technology to the field, and will be at the forefront in discovering and exploiting new trends in technology.

Gangs

Gangs have become an increasing threat to our nation's security and the safety of our communities. Seventy five percent of the United States Attorneys report a moderate or significant gang problem. Gangs commonly use drug trafficking as a means to finance their criminal activities. Furthermore, many have evolved from turf-oriented entities to profit-driven, organized criminal enterprises whose activities include not only retail drug distribution but also other aspects of the trade, including smuggling, transportation, and wholesale distribution.

Criminal street gangs, outlaw motorcycle gangs, and prison gangs are the primary retail distributors of illegal drugs on the streets of the United States and the threat of these gangs is magnified by the high level of violence associated with their attempts to control and expand drug distribution operations. Gangs primarily transport and distribute cocaine, heroin, marijuana, and methamphetamine. Authorities throughout the country report that gangs are responsible for most

of the serious violent crime in the major cities of the United States.

DEA is committed to helping combat the gang problem within the United States. In April 1995, DEA created the Mobile Enforcement Team (MET) Program aimed at attacking violent drug trafficking organizations. Today, MET teams are deployed on a temporary basis (averaging 6 months per deployment) to assist state, local, and tribal law enforcement in the disruption or dismantlement of violent drug trafficking organizations and gangs. In FY 2008, METs initiated 11 deployments in ten DEA divisions resulting in the arrest of 310 criminal street gang members and violent criminals and the disruption and dismantlement of 11 drug trafficking organizations.

In addition to the MET Program, DEA targets gang drug trafficking activity through participation in a number of anti-gang initiatives with other law enforcement components, such as Violent Crime Impact Teams, Project Safe Neighborhoods, the Weed and Seed Program, Safe Streets and Safe Trails Task Forces, the National Gang Intelligence Center, and the National Gang Targeting, Enforcement and Coordination Center. Additionally, DEA assigned two Intelligence Analysts to the DOJ National Gang Intelligence Center, and participates in DOJ's National Gang Targeting, Enforcement, and Coordination Center. Through these partnerships, DEA is able to target violent drug trafficking organizations in areas where State, local, and tribal law enforcement is challenged.

Performance Measurement

DEA has successfully integrated budget and performance information. Specifically, the FY 2006 President's Budget recognized DEA as a notable example of success for integrating budget and performance information: "The Drug Enforcement Administration (DEA) has demonstrated proficiency at quantifying the impact of funding increases (or decreases) on its performance measures relative to targets established.... DEA is capable of translating a budget increase for additional drug enforcement agents into a specific number of additional drug trafficking

SUCCESS STORY: GANGS



In 2008, DEA led the OCDETF investigation that dismantled the Drew Street Gang, a violent crack cocaine trafficking gang in Los Angeles. The gang problem in and around Drew Street received substantial attention early in 2008 when several members of the gang murdered a rival gang member who was walking his two-year-old granddaughter and later engaged in a shootout with Los Angeles Police officers. On June 25, 2008, a massive law enforcement operation involving more than 500 federal, state and local authorities resulted in the arrest of 32 defendants on federal charges that could bring life-without-parole prison sentences for some of the gang members. Twenty-six defendants were already in state and federal custody. The gang members were arrested on RICO charges for racketeering activity including drug trafficking, weapon violations, and violent crimes. indictment that alleges a long series of narcotics-related offenses and violent crimes – including murder, attacks against police officers, witness intimidation and extortion of local businesses.

organizations that will be either disrupted or dismantled in the fiscal year.”⁷ In addition, the Government Accountability Office (GAO) acknowledged DEA’s significant progress and commitment to developing measurable performance targets for reducing illegal drugs in its January 2003 report, *Major Management Challenges and Program Risks for the Department of Justice*.

DEA is continually working to improve its ability to measure performance. DEA has worked on a coordinated effort with the Office of National Drug Control Policy (ONDCP) and the CNA Corporation to develop a model to determine the impact of law enforcement operations on the cocaine market. The results of the 16-month study showed that while DEA enforcement operations did have a short-term impact on cocaine availability as measured by price and purity, there was no single model that could measure the impact on a national level.

In recent years, DEA has modified its annual performance work plans to include specific performance tasks that link to relevant strategic goals. This involved tying Senior Executive Service performance standards, which include standards for all Special Agents in Charge, country attachés, and administrative managers, to DOJ and DEA annual and long-term goals. DEA also revised its Field Management Plans and Foreign Region Management Plans to incorporate specific performance measures linked to DEA’s Strategic Goals.

In support of DOJ’s goal to develop meaningful baselines for the supply of drugs available for consumption in the U.S., ONDCP, in consultation with DOJ, continues to develop estimates of availability for the four major drug categories: cocaine; heroin; marijuana; and methamphetamine. The most recent models for cocaine, heroin, and marijuana provide broad availability ranges, which are difficult to use for targeting. In addition, an estimate for methamphetamine availability is not available due to inadequate data.

As a result, DEA is working to develop proxy measures for DEA’s impact on drug availability, which include a number of external data sets such as the *NSDUH*, Monitoring the Future, Drug Abuse Warning Network (DAWN) and Treatment Episode Data Set (TEDS). Currently, DEA is analyzing the average price per pure gram of cocaine purchased domestically. According to DEA’s System to Retrieve Information on Drug Evidence (STRIDE)⁸ data, from January 2007 through December, the price per gram of cocaine increased 104.5 percent, from \$97.62 to \$199.60, while the purity decreased 34.8 percent, from 67.2 percent to 43.9 percent purity. DEA is also analyzing the average price per pure gram of methamphetamine purchased domestically. STRIDE data for all domestic methamphetamine purchases from January 2007 through December 2008, indicates the price per pure gram of all domestic methamphetamine purchases increased 20.4 percent, from \$148.03 to \$178.30, while the purity increased by 5.2 percent, from 56.9 percent to 59.9 percent purity. DEA is continuing to monitor these indicators and is considering expanding them. In addition, DEA is analyzing other positive law enforcement outputs to identify meaningful trends to measure its impact on the drug market.

⁷ Executive Office of the President. *FY 2006 Budget Analytical Perspectives*, 2005.

⁸ The STRIDE data set contains information on the total cost, weight, and purity or potency of illicit drugs purchased, as well as the date and location of the purchase.

To support using drug price and purity as proxies for drug availability, DEA’s Intelligence Division is actively developing initiatives to better collect these data. Currently, DEA’s Intelligence Division manages the Heroin Domestic Monitor Program, which provides data on the source, cost, and percent of purity of heroin being sold at the retail level in 25 U.S. cities. Since October 2006, DEA also manages the Cocaine Domestic Monitoring Program and the Methamphetamine Domestic Monitoring Program, which are designed to provide data on the price and purity of cocaine and methamphetamine sold at the retail level in selected major metropolitan areas of the United States.

As a final indicator of DEA’s performance, DEA reports the following drug seizures based on data recorded in its drug seizure reporting systems:

**DEA's Drug Seizures
Weight Reported in Metric Tons ***

Drug	FY 2006			FY 2007			FY 2008		
	Domestic Seizures	Foreign Seizures	Total Seizures	Domestic Seizures	Foreign Seizures	Total Seizures	Domestic Seizures	Foreign Seizures	Total Seizures
Cocaine	136.46	208.89	345.35	141.79	343.41	485.20	67.10	280.57	347.67
Heroin	1.27	11.91	13.18	1.03	28.21	29.24	0.96	12.01	12.97
Methamphetamine	2.12	1.84	3.96	2.46	2.10	4.56	2.44	6.78	9.22
Marijuana **	530.58	119.38	649.96	965.89	294.13	1,260.02	1,126.06	396.96	1,523.02

* Conversion applied : Kilos / 1,000 = MT

** Does not include Hashish

All seizure data are based on INFO 7 and STRIDE as of February 19th, 2009

Drug Threats to the United States

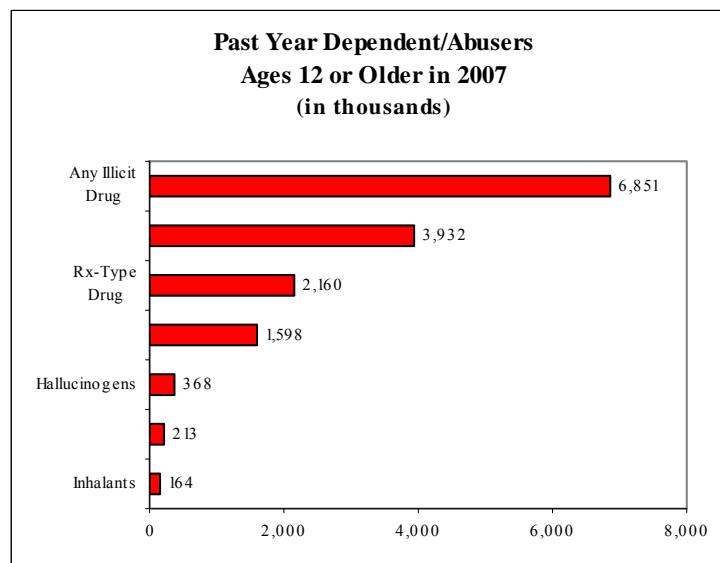
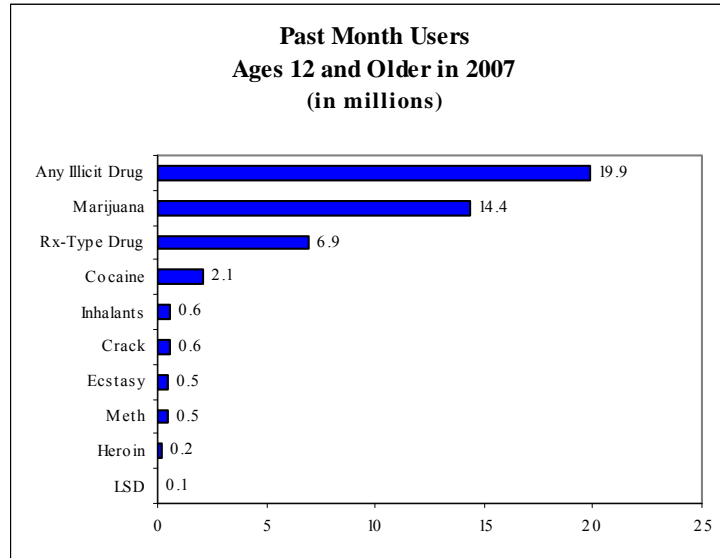
In 2002, the *National Drug Control Strategy* set goals to reduce the use of illicit drugs among America’s youth by 10 percent in 2 years and by 25 percent over 5 years. The first goal was exceeded, as drug use among youth decreased 11 percent over that time period. The second goal was almost met – there was a 23 percent reduction in youth drug use over the first 5 years as measured by the *Monitoring the Future (MTF)* study.⁹ Furthermore, according to the 2008 *MTF* survey, current illicit drug use among 8th, 10th, and 12th graders declined by 25 percent from 2001 to 2008, meaning there were approximately 900,000 fewer teens using drugs in 2008 than in 2001. Despite these encouraging results, significant challenges remain.

In 2007, an estimated 19.9 million Americans were current¹⁰ illicit drug users and, of these users, 6.9 million are estimated to be “problem users” who abuse or are dependant on illicit drugs.¹¹ The following charts provide a breakout of this data by drug type:

⁹ Office of National Drug Control Policy. *National Drug Control Strategy, 2009 Annual Report.*

¹⁰ Current drug use means use of an illicit drug during the month prior to the *National Survey on Drug Use and Health* interview.

¹¹ Office of National Drug Control Policy. *National Drug Control Strategy, 2009 Annual Report.*



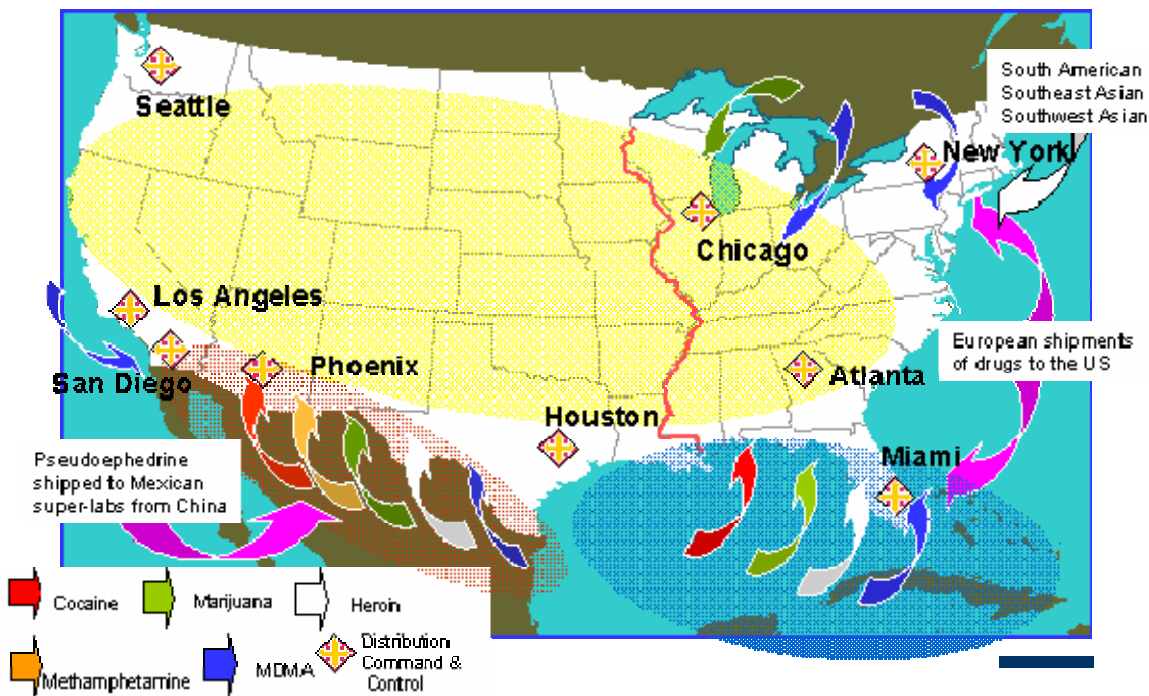
It is also estimated that drug abuse costs the U.S. economy over \$180 billion annually¹² – approximately \$1,600 a year to every American family – in lost earnings, health care costs, social welfare costs, and the loss of goods and services to crime. DEA’s most recent Domestic Threat Assessment highlights the challenges we still face in reducing the illicit drug supply in America. The Enforcement-Based Domestic Drug Threat Assessment map on the next page provides a snapshot of the highly dynamic drug trafficking environment in the U.S.¹³

¹² Executive Office of the President, Office of National Drug Control Policy, 2004. *The Economic Cost of Drug Abuse in the United States, 1992-2002*.

¹³ DEA’s Enforcement-Based Domestic Drug Threat Assessment map, as of August 2007, is based on intelligence relating to the demand for illegal drugs and their suppliers and distributors. The threat assessment encompasses data findings from DEA field division assessments, open-source reports, drug abuse indicators, reports from DEA’s El Paso Intelligence Center and the Joint Interagency Task Force West, and information on PTOs. This assessment identifies the primary illicit drug distribution patterns and the major organizations involved, as identified through DEA enforcement and intelligence collection activities.

Additionally, the following sections provide further information on the top drug threats facing our Nation.

U.S Drug Threat Assessment Primary Drug Vectors and Distribution Centers



Methamphetamine



Methamphetamine is the most widely abused, domestically produced synthetic drug in the United States. It is used across all genders, ages, and socio-economic levels. Methamphetamine has a high rate of addiction, a low rate of sustained recovery, and is cheap to manufacture. It devastates users, their families, and local communities. According to the 2007 *NSDUH*, an estimated 1.3 million persons aged 12 and older, or 0.5 percent of the population, used methamphetamine during the past year.

State legislation, the Combat Methamphetamine Epidemic Act, and law enforcement efforts have all contributed to a significant decline in methamphetamine labs inside the United States. The number of methamphetamine labs reported in the U.S. has decreased from its peak of 10,172 in 2003 to 2,514 in 2008 (as of September 30, 2008), a 75 percent decrease.¹⁴ "Super labs" seized in the United States has also dropped from 144 in 2002 to 14 in CY 2008, 13 of which were in California. This represents a 90 percent decrease between 2002 and 2008.

¹⁴ Only includes labs as of July 3, 2008. The high level for total incidents was 18,099 in 2004, which was down to 2,686 in 2008, through the end of June 2008, an 85% decrease.

Current drug and lab seizure data suggests that roughly 80 percent of the methamphetamine used in the U.S. comes from larger labs operated by Mexican organizations on both sides of the border, with the remaining 20 percent coming from domestically operated small toxic labs. The Mexican drug trafficking organizations have distribution networks throughout the United States, as well as access to drug transportation routes to smuggle the methamphetamine from Mexico into the United States. These Mexican methamphetamine distribution groups are often more difficult for local law enforcement agencies to identify, investigate, and dismantle because they typically are much more organized and experienced than local independent producers and distributors. Moreover, these Mexican criminal groups typically produce and distribute high purity ice methamphetamine that is usually smoked, potentially resulting in a more rapid onset of addiction to the drug.¹⁵

Non-medical use of prescription drugs



Non-medical use of addictive prescription drugs has been increasing throughout the United States at alarming rates. According to the 2007 *NSDUH*, 6.9 million people, aged 12 and older, used prescription-type psychotherapeutic drugs for non-medical reasons during the past month. This is a 15 percent increase from 2004 (6.0 million). Also in 2007, 2.5 million people aged 12 or older used prescription drugs non-medically for the first time. This means there are approximately 7,000 new prescription drug abusers every day. The most frequently abused medications—accounting for nearly 75 percent of prescription drug abuse—are narcotic pain relievers.¹⁶

Individual users can easily acquire prescription drugs through a variety of means, generally dependent on the type of drug. DEA and other data sources reveal that OxyContin[®] and other Schedule II drugs are most commonly obtained illegally through “doctor shopping” or are sold illegally by registrants (e.g., doctors/pharmacists). On the other hand, Schedule III and Schedule IV drugs (e.g., anti-anxiety medications, hydrocodone, and anabolic steroids) are often purchased through the Internet. Many of these pharmacies are foreign-based and expose the purchaser to potentially counterfeit, contaminated, or adulterated products.

DEA’s Diversion Control Program is using all regulatory tools possible to identify and shut down Internet pharmacies violating the Controlled Substances Act. For example, DEA is using the Automated Reports and Consolidated Order System (ARCOS) to identify high volume purchasers of narcotic controlled substances as an aid in determining which retail pharmacies and practitioners are most likely involved in the illicit distribution of controlled substances over the Internet. During FY 2008, 15.5 percent of Diversion Control Program case work hours supported Internet cases.

¹⁵ National Drug Intelligence Center, *2007 National Drug Threat Assessment*, October 2006.

¹⁶ Executive Office of the President. Office of National Drug Control Policy. *National Drug Control Strategy, 2009 Annual Report*.

Cocaine



Cocaine remains a major illegal drug of concern throughout the United States based upon abuse indicators, violence associated with the trade, and trafficking volume. The 2007 *NSDUH* found that 5.7 million Americans aged 12 or older, or 2.3 percent of the population, used cocaine within the past year. According to the Centers for Disease Control, the incidence of cocaine-caused death has increased slightly from 2.05 per million in 2004 to 2.3 per million in 2005.

Colombia continues to dominate the international cocaine trade, producing at least 63 percent of the world's powdered cocaine and approximately 90 percent of the powdered cocaine smuggled into the United States.¹⁷ Although Colombia is the principal source of cocaine distributed in the United States, most of the wholesale cocaine distribution in the United States is controlled by Mexican drug trafficking organizations and criminal enterprises. Even in areas dominated by Colombian and Dominican drug trafficking organizations, such as the Northeast and Caribbean regions, the influence of Mexican drug trafficking organizations is increasing.

Colombian and Venezuelan drug traffickers are also becoming entrenched in West Africa and are cultivating relationships with African criminal networks to facilitate their activities in the region. The entire African continent serves as a transshipment point of precursor chemicals used to manufacture controlled substances. The significant rise in cocaine trafficking from South America to Europe, via established routes in Africa, presents an ever-growing threat not only to Europe, but also to the U.S.

Heroin



The U.S. heroin market is supplied entirely from foreign sources of opium. Heroin is produced and made available in the U.S., in vastly different quantities, from four distinct geographical areas: South America (Colombia), Mexico, Southeast Asia (primarily Burma), and Southwest Asia (principally Afghanistan). Heroin can be injected, smoked, or sniffed/snorted.

Heroin remains one of the least used illegal drugs with around one percent of the population having tried it. According to the 2007 *NSDUH*, 366,000 people aged 12 and older reported using heroin during the past year; a slight decrease from 398,000 in 2004. Heroin remains readily available in major metropolitan areas and, according to the Centers for Disease Control, the incidence of heroin-caused death has increased 11 percent, from 1.0 per million in 2004 to 1.1 per million in 2005.

The majority of the heroin entering the United States is produced in Colombia and Mexico. South American white heroin dominates the heroin market east of the Mississippi River. The

¹⁷ Each year DEA forensic chemists analyze over 2,000 cocaine hydrochloride (cocaine HCl or powdered cocaine) exhibits obtained from bulk seizures throughout the United States to determine cocaine purity and the geographical origin of the cocaine. Using state-of-the-art methods, DEA chemists can determine the geographic origin of the coca leaf used to produce a cocaine sample with a confidence level exceeding 95 percent.

heroin market west of the Mississippi River is dominated by Mexican black tar heroin. Although Mexico and Colombia combined account for less than five percent of the world's heroin production, this amount is believed sufficient to meet most of the U.S. demand. Afghanistan produces 90 percent of the world's supply of heroin, a quantity equivalent to more than the amount consumed by all the world's heroin addicts in one year. However, all available DEA information indicates Afghanistan is not currently a major heroin supplier to the United States. It is estimated that Southwest Asian heroin comprises less than 10 percent of the heroin available in the United States.

Marijuana



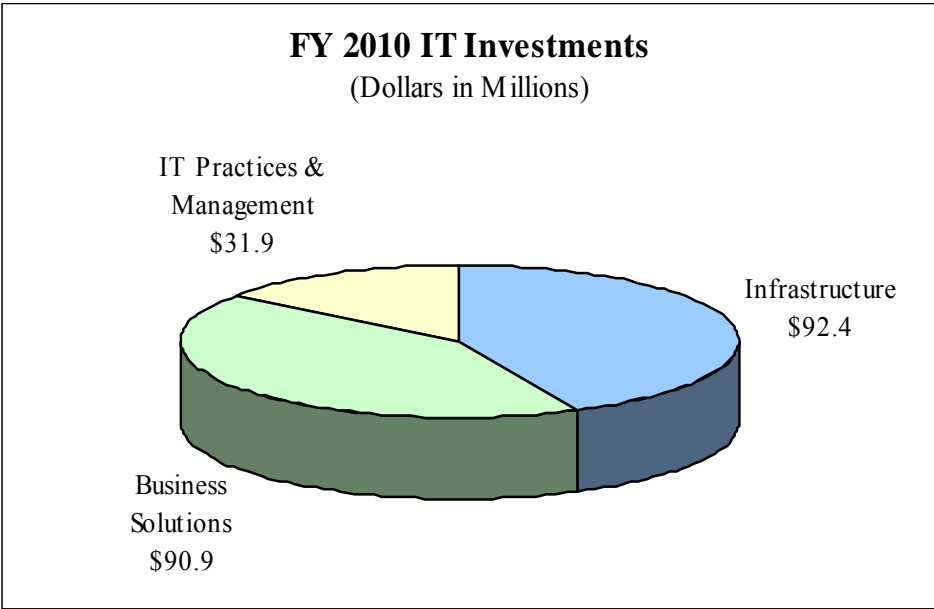
Marijuana continues to be a significant threat. According to the 2007 *NSDUH*, marijuana was the most commonly used illicit drug. Estimated cannabis use among individuals aged 12 or older has decreased slightly, from 10.6 percent of the population (25.5 million users) in 2004 to 10.1 percent (25.1 million users) in 2007.

Marijuana trafficking is prevalent across the nation, with both domestic and foreign sources of supply. California, Hawaii, Kentucky, Oregon, Tennessee, Washington, and West Virginia are considering the top seven states for marijuana cultivation. The primary source countries for foreign marijuana destined for the United States are Mexico, Canada, Colombia, and Jamaica. Since the demand for marijuana far exceeds that for any other illegal drug and the profit potential is so high, some cocaine and heroin drug trafficking organizations traffic marijuana to help finance their other drug operations. DEA estimates that marijuana proceeds are 3:1 over cocaine and approximately 15:1 over methamphetamine.

In recent years, the Domestic Cannabis Eradication/Suppression Program (DCE/SP) has begun eradicating an increasing number of cannabis plants on public lands. In 2007, DCE/SP agencies eradicated over 3.9 million marijuana plants from public lands. In 2008, 4.8 million plants were eradicated from public lands. Growth of cannabis on public land causes environmental hazards through contamination of water from fertilizer, pesticide, and herbicide. These grows are often booby trapped or have armed guards on site, which can endanger members of the public and law enforcement.

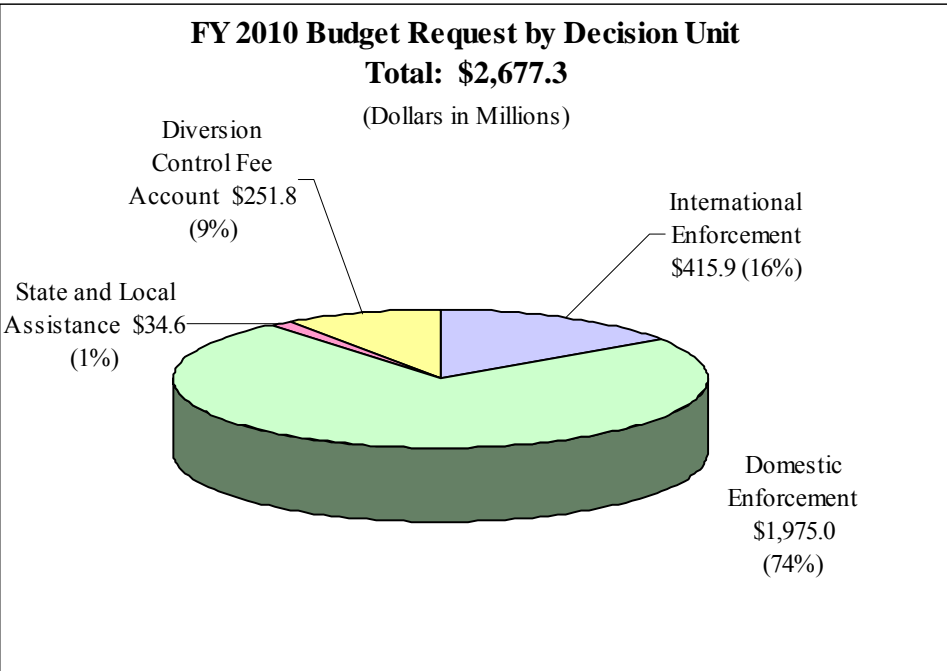
Information Technology Investments

Information technology (IT) resources are an important component in DEA's efforts to fulfill its mission. In addition, information sharing with other law enforcement agencies and the Intelligence Community is only possible with an adequate IT infrastructure. In FY 2010, DEA will dedicate approximately \$215,200,000 and 152 FTE to IT:



Full Program Costs

DEA’s budget integrates its own priorities together with DOJ’s Strategic Goals and Objectives to ensure that each performance objective is linked to the costs of critical strategic actions. This request supports DEA’s Strategic Plan, which divides DEA’s resources (including reimbursable funds) into four strategic focus areas to achieve the maximum enforcement impact across the full spectrum of drug trafficking activity.



Note: This chart reflects all DEA resources including the Salaries and Expenses Account, the Diversion Control Fee Account, and \$400.2 million in reimbursable resources.

Requested enhancements are designed to support DEA’s four specific strategic focus areas. This strategy takes into account the current drug trafficking situation affecting the United States and identifies the drug trade’s characteristics and vulnerabilities at all levels, targeting each of them

simultaneously. DEA's resources in support of DOJ Strategic Goal II and Objective 2.4, and Strategic Goal I and Objective 1.2, are provided in each decision unit justification in Section II.

For FY 2010, approximately 74 percent of DEA's budgetary resources (including \$377.2 million in reimbursable funds) are associated with Domestic Enforcement, 16 percent with International Enforcement (including \$5.6 million in reimbursable funds), one percent with State and Local Assistance (including \$28.0 million in reimbursable funds), and 9 percent with the Diversion Control Fee Account. The activities and initiatives in each of DEA's programs play a crucial role in accomplishing DEA's overall strategy. Total costs include:

- Direct costs;
- Indirect costs; and,
- Common administrative systems.

Some programs, as well as management and administration costs, cross decision units. Both performance and resource tables within each decision unit justification define the total costs of achieving the strategies DEA will continue in FY 2010. The resource and performance charts include the costs of lower level strategies, which also contribute to achieving the objectives. The indirect costs of continuing activities, which are central to each DEA decision unit's operations, are also included.

Performance Challenges

The challenges that impede progress towards achieving DEA's goals are complex and ever changing. Marketplace dynamics, global politics, technological developments, and criminal behavior are only a few factors that can impact law enforcement practices and pose challenges that demand attention. DEA faces the following potential obstacles to meeting its performance objectives:

External Challenges: There are many external challenges that DEA has to address to meet its goals successfully. While these factors are beyond its control, DEA can provide tools and assistance to Headquarters and field personnel, as well as its federal, State, local, and international partners, to minimize dangers. External challenges include the following:

- The smuggling, money remittance, and communications infrastructures utilized by international drug and chemical trafficking organizations will continue to provide an operational template that can be readily exploited by terrorist organizations.
- Community Oriented Policing Services (COPS) funding directly impacts: (1) DEA's ability to provide assistance to state and local law enforcement for the cleanup of seized methamphetamine laboratories; and (2) DEA's ability to expand the Authorized Central Storage (ACS) Program to additional states.
- Most international drug laws are inadequate to address counter-drug efforts. Furthermore, many countries lack effective legislative measures and the judicial means necessary to effectively thwart the production, diversion, transportation, or distribution of

drugs in their countries, and the communications and, financial support associated with the drug trade.

- Source and transshipment countries such as Afghanistan and Africa continue to affect the United States and the world.
- Corruption can stymie DEA's efforts to affect international enforcement. Developing nations also face an inordinate amount of problems (including indebtedness, insurgency, corruption, and underdevelopment) in conjunction with drug production and trafficking.
- As DEA's law enforcement efforts improve, leaders of drug trafficking organizations are finding more sophisticated ways to insulate themselves from the criminal justice system. For example, they are using long and complex chains of delivery systems and state-of-the-art technology to keep their operations clandestine.
- Newly emerging drug threats continue to affect the United States and the world.
- Technological advancements in communications require vigilance and technical competency on the part of law enforcement. Internet, banking methods, and other sophisticated uses of equipment, such as instant messaging, Blackberry devices, Hush Mail (free online encryption tool), and VoIP (which provides push to talk, email, and picture capability to wireless phones), all present challenges to law enforcement.
- The globalization of the social, technical, and economic environments of the United States and other nations creates new venues for drug production, transportation, diversion, and money laundering techniques.
- Legalization could: 1) reduce the perception of the risks and consequences of use; 2) increase availability and access to harmful drugs; 3) increase demand, abuse, and addiction; and 4) remove the social sanction against drug abuse that is reinforced by legislation. Legalization would increase risks and costs to individuals, families, and communities.
- Changes in laws could affect the closed system of distribution and allow distribution of foreign-sourced controlled substances.
- Continued growth in preference in the abuser population for legitimate controlled substances to replace or supplement illicit drugs.
- The Internet has increasingly become a mechanism utilized by rogue Internet pharmacies to illegally dispense controlled substances.

Internal Challenges: DEA faces many internal challenges in FY 2010, such as:

- Addressing critical infrastructure requirements.

- Ensuring operational agility. DEA must be able to shift resources, personnel, and enforcement pressure in order to rapidly exploit trafficker vulnerabilities. To attack the flow of drugs, DEA requires end game capabilities to operate on land, sea, or in the air - day or night. These capabilities rely heavily on the availability of aviation and travel resources to move DEA personnel and foreign counterparts to the right location at the right moment.
- Enhancing career development opportunities to ensure effective succession planning in DEA's leadership, since 50 percent of DEA's Senior Executives were eligible for retirement at the end of FY 2008.
- Complete and timely sharing of information and intelligence.
- Strengthening existing partnerships and building new ones with federal, State, local, and international counterparts.
- DEA is reviewing policies and procedures to identify cost efficiencies that may generate savings to the government, and is also reviewing position and FTE levels to determine if they are appropriate given funding levels and program requirements (i.e., elimination of "hollow FTE.") This review is ongoing and the results will be made available once completed. The anticipated time frame is September 2010.

The following examples illustrate some potential cost savings that DEA has already begun to review. In 2007/2008, DEA began a review of its authorized contractor positions and elected to convert 62 of these contractors to permanent DEA positions, which resulted in a savings of over \$4 million. DEA is in the process of filling those permanent positions now.

II. Summary of Program Changes

Item Name	Description				Page
		Pos	FTE	Dollars (\$000)	
Southwest Border Enforcement	To disrupt the flow of drugs, money, and chemicals between the source zones and the United States by attacking vulnerabilities in the supply chains, transportation systems, and financial infrastructure of major drug trafficking organizations.	128	64	\$24,075	69
CT Investments	To more effectively support investigations and prosecutions that target international drug trafficking organizations that finance terrorist organizations.	15	15	\$10,000	47
Diversion Control Forensic Support	Additional chemists to analyze exhibits submitted during diversion investigations.	11	6	\$2,706	101
Total		154	85	\$36,781	

This page intentionally left blank

III. Appropriations Language

DRUG ENFORCEMENT ADMINISTRATION SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed \$70,000 to meet unforeseen emergencies of a confidential character pursuant to 28 U.S.C. 530C; and expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs, [~~\$1,939,084,000~~] *\$2,004,682,000*; of which not to exceed \$75,000,000 shall remain available until expended; and of which not to exceed \$100,000 shall be available for official reception and representation expenses (Omnibus Appropriations Act, 2009).

Analysis of Appropriations Language

No substantive changes proposed.

This page intentionally left blank

IV. Decision Unit Justification

A. International Enforcement

International Enforcement - Total	Perm. Pos.	FTE	Amount \$(000)
2008 Enacted	1,036	992	\$354,823
2008 Supplementals	0	0	29,861
2008 Enacted with Supplementals	1,036	992	384,684
2009 Enacted	1,059	1,003	388,416
Adjustments to Base and Technical Adjustments	0	12	11,861
2010 Current Services	1,059	1,015	400,277
2010 Program Increases	15	15	10,000
2010 Request	1,074	1,030	410,277
Total Change 2009-2010	15	27	\$21,861

1. Program Description

The focus of DEA's International Enforcement program is the disruption or dismantlement of drug trafficking organizations identified as the most significant international drug and chemical trafficking organizations, also known as Priority Targets. Specifically, DEA Special Agents and Intelligence Analysts assigned to DEA's foreign country offices focus their investigative efforts on Priority Targets with a direct connection to DOJ's Consolidated Priority Organization Targets (CPOT), which include the most significant international command and control organizations threatening the United States as identified by OCDETF member agencies.

As the U.S. government's single point of contact for coordinating international drug and chemical investigations, DEA provides interagency leadership in the effort to disrupt or dismantle drug trafficking organizations. Under the policy guidance of the Secretary of State and U.S. Ambassadors, DEA coordinates all programs involving drug law enforcement in foreign countries. DEA also provides intelligence to assist the interagency community in determining future trends in drug trafficking and evaluating these trends to determine their long-term impact on drug trafficking. DEA works closely with the United Nations, Interpol, and other organizations on matters relating to international drug and chemical control programs.

To attack the vulnerabilities of major international drug and chemical trafficking organizations, DEA is working to strengthen partnerships with its international law enforcement counterparts worldwide. With the International Drug Flow Attack Strategy, DEA has implemented an innovative, multi-agency strategy, designed to significantly disrupt the flow of drugs, money, and chemicals between the source zones and the United States by attacking vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations. This strategy calls for aggressive, well-planned and coordinated enforcement operations in cooperation with host-nation counterparts in global source and transit zones. The strategy promotes the security of our nation and its borders through aggressive, well-planned, and coordinated enforcement operations with host-nation counterparts in global source countries, transit zones, and arrival zones. These operations act as a forward defense of the United States

by interdicting the flow of illegal drugs and the traffickers who smuggle them northward before they reach Mexico or the Southwest border. They target the command and control structures of foreign-based drug trafficking organizations (DTOs) responsible for violence in Mexico's border areas where they extend across our frontiers and operate in the U.S. heartland.

DEA's foreign operations address the problem of U.S.-bound drugs in many ways, but share the common theme of supporting proactive and successful bilateral investigations in partnership with nations committed to combating a problem that undermines their societies and whose law enforcement agencies welcome the expertise and enhanced capabilities DEA imparts to them. Therefore, the International Drug Flow Attack Strategy will have a broader impact on the drug flow into the United States and will augment U.S. efforts against terrorism by depriving criminal organizations of drug proceeds that could be used to fund terrorist acts.

In addition to collaboration with its foreign counterparts, significant international enforcement efforts require coordination with DEA's domestic offices. These enforcement efforts require a system of well-coordinated international and domestic investigations that combine elements of all operational, regulatory, and intelligence resources of the United States. DEA targets the most significant domestic surrogates of the international drug and chemical trafficking organizations, and sustains a long-term effort designed to dismantle these targeted organizations. This coordination, both international and domestic, ultimately leads to the disruption or dismantlement of organizations that provide raw materials and chemicals used for the production of illicit drugs, launder narcotics proceeds worldwide, and direct the operations of their surrogates in the United States.

Combating the world-wide threat posed by heroin production in Afghanistan is a major challenge. DEA's primary role in Afghanistan, as outlined in the Counternarcotics Strategy for the country, is to work with host nation and regional counterparts to identify, investigate, and bring to justice the most significant drug traffickers in Afghanistan and the region. Through DEA's commitment in creating and supporting excellence in global drug law enforcement, and in direct support of U.S. national security policies and priorities, DEA is committed to expanding its permanent presence in Afghanistan.

This expansion will focus on the advancement of a program to support major investigations directed at High Value Targets (HVT), including members of the Taliban involved in the drug trade, and those traffickers supporting the Taliban and other insurgents. The Taliban has been designated by Congress as a foreign terrorist organization and are closely aligned with many facets of the Afghan and regional drug trade. Taliban involvement in the drug trade is funding and fueling attacks on U.S. and coalition military personnel and interests.

In March 2006, the International Narco-Terrorism Provisions in the USA Patriot Improvement and Reauthorization Act of 2005 enhanced DEA's investigative authority overseas. The reauthorization of the Patriot Act amended Title 21 USC 960a to address narco-terrorism offenses. This law gives DEA the authority to investigate international criminal organizations that use illicit drug proceeds to promote and finance foreign terrorist organizations and acts of terror. With the implementation of the amended 21 USC 960a, DEA's role in narco-terrorism

investigations and prosecutions expanded significantly. This statute provides DEA with another effective tool to prosecute, disrupt and dismantle narco-terrorist groups worldwide.

2. PERFORMANCE AND RESOURCES TABLE

Decision Unit: International Enforcement

DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security

Strategic Objective 1.2: Strengthen partnerships to prevent, deter, and respond to terrorist incidents

WORKLOAD/ RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)			
		FY 2008		FY 2008		FY 2009 Enacted		FY 2010 Program Changes		FY 2010 Request			
Workload Measure	Number of Foreign Investigative Cases Worked in the Middle East, Central Asia, and Southwest Asia Regions	275		198		280		-		280			
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
		87	\$ 38,007 [\$0]	87	\$ 38,007 [\$0]	87	\$ 38,215 [\$0]	0	\$ - [\$0]	87	\$ 38,215 [\$0]		
TYPE/ STRATEGIC OBJECTIVE		PERFORMANCE		FY 2008		FY 2008		FY 2009 Enacted		FY 2010 Program Changes		FY 2010 Request	
		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
Program Activity	International Operations	87	\$ 38,007 [\$0]	87	\$ 38,007 [\$0]	87	\$ 38,215 [\$0]	0	\$ - [\$0]	87	\$ 38,215 [\$0]		
Performance Measure	% of Bilateral Investigations Initiated in the Middle East, Central Asia, and Southwest Asia Regions ¹	16%		11%		14%		-		14%			
Performance Measure	# of counternarcotics operations conducted by the Foreign-deployed Advisory and Support Teams (FAST) in conjunction with the Afghan Counter Narcotics Police-National Interdiction Unit (NIU) ²	††		31		††				††			
Performance Measure	# of Afghan NIU officers trained by FAST agents and deployed ³	200		188		216				216			

†† In accordance with Department guidance, targets are not established for this performance indicator.

¹ The percentage of Bilateral Investigations Initiated in the Middle East, Central Asia and Southwest Asia regions is a subset of the total number of bilateral investigations initiated with host nation counterparts.

² Activities associated with these counternarcotics operations include drug laboratory and precursor chemical site raids, destruction of opium storage sites, and capturing of drug criminals. Due to the large number of external and uncontrollable factors influencing counter narcotics operations, DEA cannot project the number of counternarcotics operations to be conducted.

³ The total number of NIU officers trained is contingent upon the availability of Department of Defense funding.

2. PERFORMANCE AND RESOURCES TABLE (Con't)

Decision Unit: International Enforcement											
DOJ Strategic Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People											
Strategic Objective 2.4: Reduce the threat, trafficking, use, and related violence of illegal drugs											
WORKLOAD/ RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		FY 2010 Program Changes		FY 2010 Request	
Workload Measure	Number of Foreign Investigative Cases Worked	1,740		2,465		2,500		250		2,750	
Workload Measure	Active PTOs Linked to CPOT Targets ¹	100		112		130		10		140	
Workload Measure	Active PTOs Not Linked to CPOT Targets ¹	160		276		290		30		320	
Total Costs and FTE		FTE		\$000		FTE		\$000		FTE	
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		905	\$ 346,677	905	\$ 346,677	916	\$ 350,201	27	\$ 21,861	943	\$ 372,062
			[5,594]		[5,594]		[5,626]		-		[5,626]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2008		FY 2008		FY 2009 Requirements		Current Services Adjustments		FY 2010 Current Services Request	
Program Activity	International Operations	FTE		\$000		FTE		\$000		FTE	
		905	\$ 346,677	905	\$ 346,677	916	\$ 350,201	27	\$ 21,861	943	\$ 372,062
			[5,594]		[5,594]		[5,626]		\$ -		[5,626]
Performance Measure	Active PTOs Linked to CPOT Disrupted Pending Dismantlement ²	20		28		30		10		40	
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled	10/20		11/22		18/27				25/35	
Performance Measure	Active PTOs Not Linked to CPOT Disrupted Pending Dismantlement ²	35		60		60		10		70	
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	40/30		45/58		50/60				60/70	
Performance Measure	# of Bilateral Investigations Initiated with Host Nation Counterparts	950		1,346		1,248		-		1,248	
Performance Measure	Number of International Training Classes/Number of International Students Trained	65/2,300		73/2,453		65/2,300				65/2,300	
Outcome	Contribution to DOJ's Goal to reduce the availability of drugs in America ³	TBD		TBD		TBD				TBD	

¹ Reflects active PTO investigations as of the end of the specified fiscal year.

² DEA, along with the FBI, contributes to the Department's consolidated performance measure, "CPOT-linked drug trafficking organizations, Disrupted/Dismantled." For purposes of consolidated reporting, "Active PTOs disrupted pending dismantlement (Domestic and International)," are added to "PTOs disrupted closed (Domestic and International)" to obtain DEA's total disruptions. PTOs disrupted pending dismantlement are active PTO investigations that have been successful at impeding the normal and effective operation of the targeted PTO, but are continuing towards the PTO's complete evisceration such that it is incapable of operating and/or reconstituting itself. For internal reporting purposes, DEA considers PTOs disrupted pending dismantlement a component of active PTOs.

³ As indicated in the DOJ's new Strategic Plan for FY 2007 - FY 2012, Stewards of the American Dream, one of DOJ's Goals will be to develop meaningful baselines for the supply of drugs available for consumption in the United States (FY 2007-2009) and achieve a 6 percent reduction in the supply of illegal drugs available for consumption in the U.S. (using the established baseline - FY's 2010 - 2012).

Data Definition: Disruption means impeding the normal and effective operation of the targeted organization, as indicated by changes in organizational leadership and/or changes in methods of operation, including, for example, financing, trafficking patterns, communications or drug production. Dismantlement means destroying the organization's leadership, financial base and supply network such that the organization is incapable of operating and/or reconstituting itself. Disruption Pending Dismantlement is an active PTO investigation that has been successful at impeding the normal and effective operation of the targeted PTO, but is still working towards the PTO's complete evisceration such that it is incapable of operating and/or reconstituting itself.

Data Validation and Verification: PTARRS provides a means of electronically validating and verifying PTO data through the following approval chain:

- * Case Agent - Through PTARRS, the Special Agent (SA) or Diversion Investigator (DI) begins the process by creating and proposing a PTO.
- * Group Supervisor (GS) – The GS reviews the PTO proposed by the SA/DI and approves it or sends it back to the SA/DI for additional information/clarification.
- * Country Attache (CA) - The CA reviews the PTO approved by the GS. If all of the necessary information included in the proposal meets the established criteria for a PTO, the CA approves the PTO.
- * Regional Director - The Regional Director reviews the PTO approved by the CA and provides a case assessment for, or against, the nomination of the PTO. Once nominated by the Regional Director, PTARRS generates and saves a unique identification number for the nominated PTO.
- * Headquarters – At Headquarters, PTOs nominated by the Regional Directors are assigned to the appropriate section within DEA's Office of Enforcement (OE). Once assigned, the corresponding OE Staff Coordinator validates all information reported on the PTO nomination. The validation process includes a review of the PTO nomination for completeness, compliance with established criteria, and confirmation of all related case linkages, including links to CPOT targets. Staff Coordinators coordinate with DEA's Special Operations Division and Intelligence Division to ensure that available facts exist to support all case linkages. In the unlikely event the documentation submitted is insufficient to validate the reported links, the Staff Coordinator will coordinate with the submitting GS to obtain the required information.

Data Limitations: DEA is currently improving reporting systems that capture investigative work hours and cost data. DEA also recently initiated a Managerial Cost Accounting project that will eventually allow the agency to capture actual full costs of investigating, disrupting, and dismantling PTOs. All statistics are limited by a lack of a relational link between case files and enforcement outputs (e.g. arrest, seizure, and work hour data). The link is inferred through data manipulation, but some areas are prone to error until all data systems are linked in a relational manner, and errors are prevented through data validation and referential integrity.

PERFORMANCE MEASURE TABLE

Decision Unit: International Enforcement												
Performance Report and Performance Plan Targets		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008		FY 2009	FY 2010
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target
Performance Measure	% of Bilateral Investigations Initiated in the Middle East, Central Asia and Southwest Asia Regions	N/A	N/A	N/A	N/A	17%	14%	12%**	16%	11%	14%	14%
Performance Measure	Number of counternarcotics operations conducted by the Foreign-deployed Advisory and Support Teams (FAST) in conjunction with the Afghan Counter Narcotics Police-National Interdiction Unit (NIU)	N/A	N/A	N/A	N/A	19	33	30	††	31	††	††
Performance Measure	Number of Afghan NIU officers trained by FAST agents and deployed	N/A	N/A	N/A	N/A	109	126	145	200	188	216	216
Performance Measure	Active PTOs Linked to CPOT Disrupted Pending Dismantlement ¹	N/A	N/A	N/A	15	8	8	18	20	28	30	40
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled	N/A	10/3	4/2	2/3	4/8	9/9	4/10	10/20	11/22	18/27	25/35
Performance Measure	Active PTOs Not Linked to CPOT Disrupted Pending Dismantlement ¹	N/A	N/A	N/A	21	16	18	47	35	60	60	70
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	0/0	4/4	8/4	9/10	13/15	18/26	13/29	40/30	45/58	50/60	60/70
Performance Measure	Number of Bilateral Investigations Initiated with Host Nation Counterparts	2,330	1,913	1,413	1,279	1,129	1,191	1,296	950	1,346	1,248	1,248
Performance Measure	Number of International Training Classes/Number of International Students Trained	54/1,871	56/1,950	61/2,252	71/2,582	69/2,384	83/2,954	74/2,575	65/2,300	73/2,453	65/2,300	65/2,300
OUTCOME Measure	Contribution to DOJ's Goal to reduce the availability of drugs in America	N/A	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

†† In accordance with Department guidance, targets are not established for this performance indicator.

¹ DEA, along with the FBI, contributes to the Department's consolidated performance measure, "CPOT-linked drug trafficking organizations, Disrupted/Dismantled." For purposes of consolidated reporting, "Active PTOs disrupted pending dismantlement (Domestic and International)," are added to "PTOs disrupted closed (Domestic and International)" to obtain DEA's total disruptions.

3. Performance, Resources, and Strategies

The International Enforcement Decision unit primarily contributes to DOJ's Strategic Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People. Within this Goal, the resources specifically address DOJ's Strategic Objective 2.4: "Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs."

The International Enforcement Decision Unit also contributes to Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security. Within this Goal, the resources specifically address DOJ's Strategic Objective 1.2: "Strengthen Partnerships to Prevent, Deter, and Respond to Terrorist Incidents."

a. Performance Plan and Report for Outcomes

Strategic Objective 1.2 – Strengthen Partnerships to Prevent, Deter, and Respond to Terrorist Incidents

DEA's Counterterrorism Efforts

DEA has included three performance measures related to the counterterrorism activities carried out in specific DEA foreign offices. These measures are included under DOJ's Strategic Goal 1 on the Performance and Resources Table. Since there has been a link established between terrorists and drug trafficking organizations, DEA is engaging in proactive enforcement and intelligence gathering operations with its host nation law enforcement counterparts by targeting the command and control structure of heroin trafficking organizations operating in the Middle East, Central Asia, and Southwest Asia region.

Bilateral Investigations

As of September 30, 2008, 11 percent of bilateral investigations were initiated in the Middle East, Central Asia and Southwest Asia regions. Therefore, DEA did not reach its FY 2008 target of 16 percent of total bilateral investigations initiated. This objective was not achieved as the number of bilateral investigations initiated will fluctuate as DEA works to establish a permanent presence in various countries and develop strong relationships with its host nation law enforcement counterparts. DEA cannot operate unilaterally in these foreign regions and is constantly faced with complex external challenges that impede progress towards achievement of agency goals. For example, most international drug laws are inadequate to address counter drug efforts. Further, many countries lack effective legislative measures and the judicial means to effectively impede illicit drug production, diversion, transportation, or distribution in their countries. Most importantly, changes within foreign governments may decrease cooperation in host countries in the areas of drug and chemical control.

In FY 2009, DEA will continue to focus on financial operations and intelligence gathering capabilities in this region. Also, through *Operation Containment*, DEA will continue to work with countries in Central and Southwest Asia to reduce the heroin flowing out of Afghanistan. Therefore, DEA anticipates meeting or exceeding the established FY 2009 and FY 2010 target of

14 percent of bilateral investigations initiated in the Middle East, Central Asia and Southwest Asia regions.

Foreign-deployed Advisory Support Teams (FAST)

The focus of the FAST teams is to provide guidance, training, and mentorship to Afghanistan's Counter Narcotics Police, National Interdiction Unit (NIU) so that they will become a self sustaining narcotics police institution capable of identifying and disrupting heroin trafficking organizations linked to terrorists in Afghanistan. The following performance measures, which are relevant to the core mission of this program, have been established and will demonstrate the results the program is intended to achieve.

The first measure is the number of counter narcotics operations conducted by the FAST in conjunction with the Afghan NIU. As of September 30, 2008, there were 31 counter narcotics operations conducted by the FAST in conjunction with the Afghan NIU. Afghanistan is a combat zone and enforcement operations entail a higher level of risk; therefore, DEA does not project the number of counter narcotics operations. Afghanistan poses significant health, environmental and operational risks to all personnel operating in country which makes it difficult to conduct enforcement operations on a consistent basis.

The second measure is the number of Afghan NIU officers trained and deployed by FAST agents. As of September 30, 2008, 188 NIU officers were trained by DEA's FAST agents and deployed. The number of NIU officers trained and deployed will fluctuate due to attrition as officers are reassigned out of their unit by DEA and NIU supervisors if their work performance does not meet appropriate standards. Also, a certain percentage of NIU officers resign, transfer out of the unit to pursue other employment and/or are killed in the line of duty. Further, DEA receives funding from the Department of Defense (DoD) to train Afghan NIU officers; therefore, the projected number of officers trained in FY 2009 and 2010 is contingent upon the availability of DoD funding.

Training and deployment of the NIU has proven to be valuable in that the NIU have seized drugs and munitions that belonged to anti-coalition forces, including the Taliban. In addition, through these training initiatives, DEA is implementing diplomatic measures to reduce the flow of Afghan heroin into world markets, prevent Afghanistan from becoming a major heroin supplier to the United States, and disrupt drug-related terrorist activities.

Strategic Objective 2.4 – Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs

Although DEA is involved in counterterrorism, DEA's primary mission is drug enforcement and DEA's long-term goal is to contribute to DOJ's goal of reducing the availability of drugs in America.

Priority Targeting Program

DEA's international investigative efforts focus primarily on CPOT targets. The objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible and the source of the drug is eliminated. The disruption or dismantlement of CPOT organizations is accomplished primarily via multi-agency investigations. These investigations emphasize developing intelligence-driven, multi-regional efforts to identify and target international drug trafficking organizations that play significant roles in the production, transportation, distribution, financing, or other support of large scale drug trafficking.

DEA's first two drug-related performance measures on the Performance and Resources Table relate to the disruption, disruption pending dismantlement, and dismantlement of Priority Targets linked to CPOT targets. As of September 30, 2008, DEA disrupted 11, disrupted pending dismantlement 28, and dismantled 22 Priority Targets linked to CPOT. Based on this performance, DEA exceeded its FY 2008 targets and expects to exceed its FY 2009 and FY 2010 targets for disrupting, disrupting pending dismantlement, and dismantling Priority Targets linked to CPOT via multi-agency investigations and close collaboration with foreign counterparts.

DEA's third and fourth drug-related performance measures on the Performance and Resources Table are the disruption, disruption pending dismantlement, and dismantlement of Priority Targets not linked to CPOT targets. As of September 30, 2008, DEA disrupted 45, disrupted pending dismantlement 60, and dismantled 58 Priority Targets not linked to CPOT. DEA exceeded its FY 2008 targets through coordination with foreign counterparts and DEA domestic offices and anticipates exceeding its FY 2009 and FY 2010 targets. The current emerging drug trafficking trends necessitates a focused approach, and DEA is responding globally and strategically as well as striving to ensure that resources are deployed to the highest priority overseas locations to maximize DEA's impact on the global narcotics trade.

The effectiveness of DEA's international enforcement efforts is measured not only by the number of Priority Target disruptions, disruptions pending dismantlement, or dismantlements, but also by the number of bilateral investigations conducted with host nation law enforcement counterparts and the number of DEA-sponsored international training courses conducted. As of September 30, 2008, the total number of bilateral investigations initiated with host nation counterparts was 1,346. DEA exceeded its FY 2008 target of 950 and predicts that it will exceed its FY 2009 and FY 2010 targets. However, DEA's success is contingent upon host nation law enforcement cooperation and participation. Therefore, if there is a decrease in host nation cooperation and participation, DEA cannot achieve agency goals and objectives.

As of September 30, 2008, DEA conducted 73 international training classes for 2,453 foreign law enforcement participants. The 73 training classes were comprised of the following: International Asset Forfeiture Seminars, Sensitive Investigative Unit (SIU) Seminars, Supervisory and Specialized training programs at the International Law Enforcement Academies (ILEAs), Specialized Bilateral training programs, and the Afghanistan Regional Training Team (RTT) Program conducted worldwide. DEA exceeded its established FY 2008 target of 65 classes and 2,300 participants and anticipates exceeding its FY 2009 and FY 2010 targets.

Drug Availability

DEA's long-term goal is to contribute to DOJ's goal to reduce the supply of drugs available for consumption in the United States. In 2007, DOJ released its new FYs 2007-2012 Strategic Plan, *Stewards of the American Dream*. In recognition of the challenges encountered in developing a reliable methodology for estimating the amount of drugs available for consumption in the U.S., DOJ revised its drug-related, long-term outcome goal. Specifically, DOJ created a two part outcome goal. The first part focuses on the development of meaningful baselines for the supply of drugs available for consumption in the U.S. between FY 2007 and FY 2009 and the second part focuses on achieving a 6 percent reduction against the established baselines between FY 2010 and FY 2012.

In support of this goal, the Office of National Drug Control Policy (ONDCP), in consultation with DOJ, continues to develop estimates of availability for the four major drug categories: cocaine, heroin, marijuana, and methamphetamine. The most recent models for cocaine, heroin, and marijuana provide broad availability ranges, which are difficult to use for targeting. In addition, an estimate for methamphetamine availability is not available due to inadequate data.

As a result, DEA is working to develop proxy measures for DEA's impact on drug availability. Currently, DEA is analyzing the average price per pure gram of cocaine purchased domestically. From January 2007 through September 2008, the average price per pure gram of Cocaine increased 89.1 percent, from \$96.61 to \$182.73, while the purity decreased 32.1 percent, from 67 percent to 46 percent according to DEA's System to Retrieve Information on Drug Evidence (STRIDE). DEA is also analyzing the average price per pure gram of methamphetamine purchased domestically. STRIDE data indicates from January 2007 through September 2008, the price per pure gram of methamphetamine increased 23.6 percent, from \$148.91 to \$184.09, while the purity decreased 8.3 percent, from 57 percent to 52 percent. DEA is continuing to monitor these measures and possibly expand them. In addition, DEA is analyzing other positive law enforcement outputs to identify meaningful trends to measure its impact on the drug market.

To support using drug price and purity as proxies for drug availability, DEA's Intelligence Division is actively developing initiatives to better collect these data. Currently, DEA's Intelligence Division manages the Heroin Domestic Monitor Program, which provides data on the source, cost, and percent of purity of heroin being sold at the retail level in 25 U.S. cities. Since October 2006, DEA also manages the Cocaine Domestic Monitoring Program and the Methamphetamine Domestic Monitoring Program, which are designed to provide data on the

price and purity of cocaine and methamphetamine sold at the retail level in selected major metropolitan areas of the United States.

b. Strategies to Accomplish Outcomes

DEA collaborates and supports its foreign counterparts on investigations leading to the arrest and prosecution of major international drug traffickers around the world. Specifically, DEA works with its foreign counterparts to disrupt or dismantle international Priority Targets, which includes:

- Identifying, prioritizing, and targeting the most significant international drug and chemical trafficking organizations;
- Disrupting the networks, financial infrastructures, operations, and the resource bases of targeted international drug and chemical trafficking organizations; and
- Dismantling those international organizations that have a nexus to domestic organizations.

In FY 2010, DEA will continue to pursue the following objectives in the foreign arena:

1. Provide an operational focus that ensures the conduct of long-term bilateral investigations with foreign counterparts against significant international drug and chemical trafficking organizations and their major affiliates and facilitators.

Special Agents assigned to DEA foreign offices conduct bilateral investigations with foreign counterparts in countries that have demonstrated the commitment to proactively combat drug trafficking organizations. In FY 2010, DEA seeks to enhance existing foreign offices to support DEA's International Drug Flow Attack Strategy's central goal of disrupting the flow of drugs, money and chemicals. DEA will interact with foreign counterparts and conduct long-term bilateral investigations to improve drug enforcement efforts against emerging heroin, cocaine, and synthetic drug threats and the diversion of precursor chemicals.

2. Continue to deny safe havens to criminal organizations involved in drug trafficking, drug-related terrorist and money laundering activities and deprive these organizations of the financial basis for their activities.

DEA will continue to implement administrative, diplomatic, and investigative measures to reduce the flow of drugs into world markets and disrupt drug-related terrorist activities in the Middle East, Central Asia and Southwest Asia regions. DEA is currently engaging in proactive enforcement and intelligence gathering operations targeting the command and control structure of heroin trafficking organizations in Afghanistan and the Central and Southwest Asia regions.

Expansion of the U.S. Government counter narcotics presence in Afghanistan via increased DEA staffing levels was identified as a key element of an interagency strategy released on August 9, 2007. DEA's role in this strategy is to identify, investigate, disrupt, and dismantle drug High Value Targets (HVTs) that are part of, supporting, or fueling the Afghan insurgency. In 2008, and in direct response to the 2007 interagency strategy, DEA developed a plan to augment the

staff of DEA's Kabul Country Office (CO) by a total of 67 new DEA positions. This increase in DEA personnel will also support the strategy announced on March 27, 2009 by the current Administration, which aims to aggressively combat the insurgency in Afghanistan.

DEA has identified 21 high value drug organizations operating in the provinces of Helmand, Kandahar and Nangarhar alone. Many of these organizations have ties to insurgent groups and corrupt government officials. For DEA to effectively implement its strategy of attacking the command and control nodes of these organizations, our Afghanistan-based investigative force must be of sufficient size to pursue these investigations. With additional personnel, DEA's investigations will branch outward from Kabul to these key provinces of Afghanistan.

In FY 2009 and FY 2010, DEA's goal is to deploy 55 existing positions to Afghanistan. In addition, 15 positions in the Counter-Narcoterrorism Operations Center (CNTOC) will support the Special Operations Division's increasing role in international narco-terrorism investigations and prosecutions. DEA will rely on the FY 2008 Global War on Terror (GWOT) supplemental appropriation to fund deployment costs. Maintaining these 55 positions is contingent upon securing additional resources in FY 2010.

3. Continue DEA's leadership role and promote cooperation among all domestic and foreign agencies involved in international drug enforcement programs.

DEA's foreign offices support domestic investigations. This coordination between international and domestic offices extends to evidence sharing, extradition, controlled deliveries, and other programs having the potential to assist ongoing investigations or lead to the initiation of new cases in the United States.

Because they are interdependent and intertwined, the international aspects of drug trafficking cannot be separated from the domestic aspects. The drug trafficking industry begins abroad and ends in the cities, towns, and communities of America. Although the heads of drug trafficking organizations remain ensconced in foreign countries, they are deeply involved in the day-to-day operations of their surrogate organizations, which carry out their instructions and orders. These organizations employ thousands of workers within the United States who are sent into our communities to ensure a continuous influx of drugs and a corresponding return of profits to the organization.

4. Lead and influence international counterdrug and chemical policy and support institution building in host nations.

Institution building is a critical component of DEA's overseas success, and DEA Special Agents are expected to aggressively carry out these activities with their counterparts. Increasing DEA's overseas presence will allow Special Agents to establish close relationships and networks with their counterparts that foster cooperation in international drug law enforcement. The additional Special Agents placed in areas where there are emerging drug threats will work with their foreign counterparts on policy and legislative issues and provide assistance in developing drug control laws and regulations as well as work to establish specialized units in support of drug investigations.

In addition to meeting with foreign counterparts on legislative issues, DEA also plays a significant role by providing investigative equipment and training. An important contribution to this end is the establishment of Sensitive Investigative Units (SIUs) in selected countries. SIUs are groups of host nation investigators that are polygraphed, trained, equipped, and guided by DEA. The SIU program seeks to create focused and well-trained drug investigative and intelligence units of high moral character and integrity in selected nations. Investigations are ongoing, and cases, particularly those involving sensitive and high-level targets, are being developed by these units. Overall, SIUs are a critical component in DEA's Global Drug Strategy and its efforts to combat the production and trafficking of narcotics and the diversion of precursor chemicals.

5. Maintain an intelligence program that drives international enforcement operations and analyzes information to identify trends.

DEA coordinates intelligence worldwide that assists in disrupting or dismantling international drug trafficking organizations. DEA coordinates intelligence on the cultivation and manufacture of illicit substances, the sale of precursor chemicals for illegal drug production, and the transportation routes of these drugs into the United States. DEA's foreign offices share intelligence they have collected with relevant U.S. Federal agencies to augment both foreign and domestic investigations. DEA's personnel abroad work closely with their domestic counterparts to investigate leads and dismantle international drug trafficking organizations that target American citizens.

The collection, analysis, and dissemination of strategic, investigative and real-time intelligence are critical for DEA to identify international drug syndicates. Intelligence Analysts provide the critical intelligence support needed to conduct Priority Targeting investigations.

6. Provide training and assistance in developing the basic legal framework in support of foreign counterparts' efforts to dismantle drug and chemical trafficking organizations and their financial affiliates.

DEA's International Training Program, with funding from the Department of State's Bureau of International Narcotics and Law Enforcement, focuses directly on establishing international cooperative law enforcement efforts and approved judicial training programs. These programs are tailored to provide narcotics-related enforcement expertise to foreign governments and are offered on a country or regional basis.

4. Program Increases

Item Name: Continuing Counter-Terrorism Investments

Budget Decision Unit(s): Domestic Enforcement
International Enforcement

Strategic Goal & Objective: Goal I; Objective 2.2
Goal II; Objective

Organizational Program: Operations Division, Special Operations Division

Component Ranking of Item: 1 of 2

Program Increase: Positions 15 Agents 9 FTE 15 Dollars \$10,000,000

Description of Item

DEA requests 15 positions, including 9 Special Agents and \$10,000,000 to more effectively support investigations and prosecutions that target international drug trafficking organizations that finance terrorist organizations. Funds will support SOD personnel to analyze and coordinate international investigative demands due to emerging international and transnational threats of terrorism, narco-terrorism, and the increase in DEA investigations involving narco-terrorism. DEA will also strengthen and enhance its ability to perform financial drug investigations by targeting the financial infrastructure of major drug trafficking organizations and members of the financial community who facilitate the laundering of their proceeds. This concentrated enforcement effort will disrupt the drug market and cause organizations to lose personnel and/or profits to the point at which drug trafficking is no longer profitable. Lastly, DEA requires funding to operate and maintain the Bell 412 twin-engine helicopter in the Western Hemisphere that provides (Foreign-Deployed Advisory Support Teams (FAST) deployments, address air, maritime, and land drug trafficking threats.

Justification

International Counter-Narcoterrorism Coordination Center (CNTOC) and Bilateral Investigations Unit-Narcoterrorism Group (960a): DEA is requesting \$7,000,000 (including \$3,200,000 in non-personnel funding) to annualize the cost of the 15 positions, including 9 agents, and operational funding provided to SOD in the FY 2008 GWOT Supplemental. Funding will support and maintain an International Counter/Narco-Terrorism Coordination Section and 960 Investigations Group to vigorously pursue the international and transnational threat of narco-terrorism.

In December 2001, the DEA created the Special Coordination Unit (OSOC) at SOD to coordinate all DEA investigations and intelligence linked to counter-terrorism and narco-terrorism. OSOC was established as the central point of contact within DEA to track terrorism-related leads and to disseminate data to outside agencies. OSOC's primary focus has been the

coordination of terrorist related information with the FBI for matters related to domestic terrorism and to provide communication exploitation support to the FBI Counterterrorism division. Since OSOC's inception, its responsibilities and work load have increased dramatically.

In March 2006, the re-authorization of the USA PATRIOT Act amended Title 21 USC 960a to address narco-terrorism offenses. This new law provides DEA the authority to investigate international criminal organizations that use illicit drug proceeds to promote and finance foreign terrorist organizations and acts of terror. DEA's role in narco-terrorism investigations and prosecutions are expanded significantly. The new statute allows for prosecution of extra-territorial conduct and provides DEA with another powerful tool to prosecute, disrupt, and dismantle narco-terrorist groups worldwide. The terrorist aspects of these investigations will require close coordination with elements of DoD, the U.S. Intelligence community, and foreign counterparts.

In January 2007, OSOC was redesignated the Counter-Narcoterrorism Operations Center (CNTOC); a name that more accurately reflects the important role the group has played in the U.S. Government's global war on terrorism. The CNTOC's primary mission is to coordinate all DEA investigations and intelligence linked to counter-terrorism, including those organizations that use drug profits as financing, and to exercise the authority of U.S. Code 959/960 to target, investigate, and extradite individuals who are involved with drug proceeds that finance terror. The CNTOC is DEA's central hub for addressing the increase in drug-related terrorism related issues and investigations actively supporting multi-jurisdiction, multi-nation, and multi-agency wire intercept investigations, while working jointly with federal, state, and local agencies.

The formation of this new CNTOC was critical to enable SOD to more effectively support DEA and FBI investigations and prosecutions targeting international terrorist organizations involved in drug trafficking and to provide immediate coordination with other U.S. and foreign agencies.

So far, evidence suggests a link between drugs and terrorism, with regards to Afghanistan, is a symbiotic relationship where both drug traffickers and terrorists benefit. The Taliban benefits both economically from taxing drug lords, and by having pre-established smuggling routes available for their use. Drug Lords benefit from the protection the Taliban provides, and intense DEA investigations have led to the arrest of Haji Juma Khan (HJK) in Southeast Asia. HJK, one of the world's most significant heroin and opium traffickers, provided direct support to the Taliban from drug trafficking revenue.

Other recent DEA investigations have led to the arrests of weapons traffickers Monzer al Kassar and Victor Bout. Both men are perhaps the world's most significant criminals and prolific weapons traffickers with extensive histories of supplying weapons to conflicts and terrorist organizations throughout the world.

Al Kassar, also known as "The Prince of Marbella," amassed great fortunes from his drug and arms trafficking activities while living opulently in Marbella, Spain. After a five year investigation that involved the investigative efforts of DEA, the Spanish National Police, the Romanian Border Police, and the Counterterrorism Division of the Federal Bureau of

Investigations, Al Kassar was indicted in May 2007 in the Southern District of New York. He was charged with numerous Title 18 violations including “Conspiracy to Provide Material Support or Resources to a Foreign Terrorist Organization.” On November 20, 2008, international arms dealer Al Kassar and his associate, Moreno Godoy, were convicted of conspiracy to murder of U.S. nationals; conspiracy to murder U.S. officers and employees; conspiracy to acquire and export anti-aircraft missiles; conspiracy to provide material support and resources to the Fuerzas Armadas Revolucionarias de Colombia (the "FARC"), a designated foreign terrorist organization; and money laundering. These convictions represented the first time anyone was charged with and convicted of the anti-aircraft missile statute.

In 2008, Viktor Anatolyevich Bout, a former Soviet military officer and known to have affiliation with the Taliban who in turn had strong connections to al-Qaeda was arrested by Thai authorities, in cooperation with DEA, in Bangkok, Thailand. He was indicted in the Southern District of New York for various Title 18 violations to include “Conspiracy to Provide Material Support or Resources to a Foreign Terrorist Organization.”

Continued expansion efforts are expected to result in more efficient coordination and intelligence sharing.

Financial Investigations: DEA is requesting \$1,500,000 to strengthen financial drug investigations by targeting the financial infrastructure of major drug trafficking organizations and members of the financial community who facilitate the laundering of their proceeds. Through DEA’s Office of Financial Operations and specialized money laundering groups in each DEA field division, DEA uses its drug intelligence information, technology, and agent resources to aggressively address the drug trade business. In this effort, DEA works closely with elements of the private sector financial community to include federal and State regulators who oversee the industry. Presently, several examples of initiatives or operations used to attack the financial infrastructure of drug trafficking are:

- The National Money Counter Initiative is a Special Enforcement Operation (SEO) designed to target identified drug traffickers who purchase cash/currency counting machines, then utilize the machines to process illegal drug proceeds.
- The National (Pilot) License Plate Reader (LPR) Initiative is a database used by DEA. It is used to query data of license plates by DEA and other law enforcement agencies via the El Paso Intelligence Center (EPIC).
- The National Concealment Trap Initiative (CTI) was developed by DEA to develop and expand coordination between federal, state, and local law enforcement agencies targeting DTOs utilizing concealed traps to transport narcotics proceeds as well as conceal narcotics proceeds in residences/office.
- DEA utilizes Attorney General Exempted Operations to expose laundering drug proceeds for the purpose of infiltrating major drug organizations

Targeting the financial infrastructures of major drug trafficking organizations and members of the financial community who facilitate the laundering of their proceeds is a vital component of DEA's overall strategy. In FY 2005, DEA established a five-year plan with annual milestones through FY 2009 to meet the challenge of crippling drug cartels so that they are unable to reconstitute their operations with new leadership. The cumulative target over this five year period totals \$10 billion. However, after four years of executing this plan, DEA has almost achieved its goal of \$10 billion. By the end of FY 2008, DEA had denied drug traffickers \$9.4 billion in revenue (\$2.8 billion was currency). For FY 2009, DEA's drug trafficking revenue denied goal is \$3 billion.

Tactical Aircraft Section: DEA is requesting \$1,500,000 in O&M funding to support, operate, and maintain its Bell 412 twin-engine helicopter in the Western Hemisphere. The helicopter was funded in the FY 2008 GWOT supplemental. The Bell 412 twin-engine helicopter is used for interdiction operations in the transit zone, including FAST deployments, and address air, maritime, and land drug trafficking threats. Because these operations often take place over water or in remote jungle regions, DEA must use its twin engine-helicopter to support these operations. By implementing the Drug Flow Attack Strategy (DFAS), intelligence-driven enforcement, multilateral cooperation, and sequential enforcement operations, DEA has and is achieving record results. The Bell 412 twin-engine helicopter's primary mission is to support DFAS including Operation All Inclusive, FAST, and OPBAT. It also provides mobile air support for operations in the transit zone, including logistics and transport for DEA personnel and host nation police officers.

FAST teams and tactical aircraft support directly provide the end game capability DEA needs to execute the Drug Flow Attack Strategy with its greatest impact.

Impact on Performance

International Terrorism Section and 960a Group: The \$7 million requested will enable SOD to continue to effectively and efficiently support investigations and prosecutions that target international terrorist organizations involved in drug trafficking. It will also provide for timely coordination and information sharing between U.S. and foreign law enforcement agencies. These enhancements are vital in maintaining uninterrupted support for the collection of intelligence and evidence on regional drug trafficking organizations so that cases can be built against lead criminals who control these organizations that provide financial support to terrorists. If the requested funding for this enhancement is not provided, it will greatly impact SOD's mission to target, disrupt and dismantle major drug cartels.

Financial Investigations: DEA's \$1.5 million enhancement request will increase its ability to execute its five-year plan of crippling drug cartels so that they are unable to reconstitute their operations with new leadership has been an overwhelming success. Four years into its five year plan, DEA is within \$600 million of its cumulative target goal of \$10 billion for denied revenues to drug trafficking organizations. However, of the \$9.4 billion revenues DEA has seized, \$2.8 billion was currency. Failure to provide the requested enhancements for financial investigations to meet the challenge of crippling drug cartels of revenue will restrict DEA's ability to continue

its success in disrupting and dismantling drug cartels and prevent reconstituting their operations with new leadership.

Tactical Aircraft Section: DEA is requesting \$1,500,000 in O&M funding to support and maintain its Bell 412 twin-engine helicopter in the Western Hemisphere. The helicopter was originally funded in the FY 2008 GWOT supplemental; however, no permanent funding was provided to operate, support, and maintain it. Without the requested funding for these costs, the effectiveness of large-scale regional enforcement operations to disrupt and dismantle drug cartels will be diminished. Additionally, a lack of funding to operate will hinder or limit the Tactical Aircraft Squadron's ability to stand up, maintain, or support current missions.

Base Funding

FY 2008 Enacted				FY 2009 Estimate				FY 2010 Current Services			
Pos	Agents	FTE	\$000	Pos	Agents	FTE	\$000	Pos	Agents	FTE	\$000
31	25	31	8,930	31	25	1	7,648	31	25	31	4,150

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2010 Request (\$000)	FY 2011 Net Annualization (Change from 2010) (\$000)
Special Agent	\$ 294	8	\$ 2,349	\$ -
Intelligence Analyst	184	3	552	-
Professional/Administrative	149	1	149	-
Technical/Clerical	88	2	176	-
Special Agent (Foreign)	574	1	574	-
Total Personnel		15	\$ 3,800	\$ -

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2010	FY 2011 Net
International Terrorism Section and Financial Investigations	-	-	\$3,200	\$ -
Tactical Aircraft Section	-	-	1,500	-
Total Non-Personnel	-	-	\$6,200	\$ -

Total Request for this Item

	Pos	Agents	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)
Current Services	-	-	-	\$4,150	\$ -	\$4,150
Increases	15	8	8	\$3,800	\$6,200	\$10,000
Grand Total	15	8	8	\$7,950	\$6,200	\$14,150

B. Domestic Enforcement

Domestic Enforcement - Total	Perm. Pos.	FTE	Amount \$(000)
2008 Enacted	7,087	7,042	\$1,496,373
2008 Supplementals	0	0	0
2008 Enacted with Supplementals	7,087	7,042	1,496,373
2009 Enacted	7,148	7,080	1,544,160
Adjustments to Base and Technical Adjustments	0	30	29,556
2010 Current Services	7,148	7,110	1,573,716
2010 Program Increases	128	64	24,075
2010 Request	7,276	7,174	1,597,791
Total Change 2009-2010	128	94	\$53,631

1. Program Description

The Domestic Enforcement Decision Unit comprises the majority of DEA's investigative and support resources. These resources, in conjunction with DEA's foreign offices, create a seamless intelligence and investigative web to pursue drug trafficking organizations, from multi-national and poly-drug conglomerates, to independent specialty one-function cells.

DEA continues an aggressive and balanced domestic enforcement program with a multi-jurisdictional approach designed to focus federal resources on the disruption or dismantlement of drug trafficking organizations that control the illegal drug trade and the seizure of the proceeds and assets involved in the illegal drug trade. Similar to legitimate businesses, drug trafficking organizations have corporate leaders, employees, chemical suppliers, transporters, financial service providers, communication needs, infrastructure, and assets. The drug trafficking business is therefore subject to market forces.

As such, DEA focuses on finding and exploiting strategic vulnerabilities in the drug market. DEA's strategy relies heavily on intelligence and investigative capabilities to identify significant domestic drug trafficking organizations and drug facilitators, collect and maintain in-depth information concerning their leadership and operations, and establish priorities and develop targets. This strategy emphasizes the disruption or complete dismantlement of the organizations targeted by DEA domestic field offices. The following are the major programs within the Domestic Enforcement Decision Unit:

Priority Targeting Program

This program was implemented in April 2001 to identify, target, investigate and disrupt or dismantle those international, national, regional, and local impact drug trafficking and/or money laundering organizations having a significant impact on drug availability within the United States. DEA domestic field divisions, under the supervision of Special Agents in Charge (SACs), identify and target major drug threats within their areas of responsibility.

The efforts to disrupt or dismantle Priority Targets linked to CPOTs are accomplished primarily via multi-agency and multi-regional investigations. These investigations are intelligence-driven.

The goal is to dismantle these organizations so that reestablishment of the same criminal organization is impossible. As these organizations are identified, disrupted, or dismantled, the investigative intelligence developed is utilized to identify and target all organizational elements on the drug trafficking continuum. As entire drug trafficking networks, from sources of supply to the transporters/distributors, are disrupted or dismantled, the availability of drugs within the United States will be reduced.

Organized Crime Drug Enforcement Task Force (OCDETF)

DEA is a leading participant in the Organized Crime Drug Enforcement Task Force (OCDETF). OCDETF's principal mission is to identify, disrupt, and dismantle the most serious drug trafficking and money laundering organizations and those primarily responsible for the nation's drug supply.

Financial Investigations

Through DEA's Office of Financial Operations and specialized money laundering groups in each field division, DEA uses its drug intelligence information, technology, and agent resources to aggressively address the drug trade business. In this effort, DEA works closely with elements of the private sector financial community to include federal and State regulators who oversee the industry. This concentrated enforcement effort will disrupt the drug market and cause organizations to lose personnel and/or profits to the point at which drug trafficking is no longer profitable.

DEA's Special Operations Division (SOD)

SOD supports domestic enforcement by providing vital information for investigative and enforcement activity directed against major national or international trafficking organizations. Specifically, SOD manages special operations and projects within DEA that target trafficker command and control communications. SOD provides guidance and technical assistance to all divisions that have domestic Title III operations involving drug trafficking. Additionally, SOD manages and develops programs and procedures which ensure discrete and timely distribution of sensitive and vital intelligence data to DEA, the Federal Bureau of Investigation (FBI), Bureau of Immigration and Customs Enforcement (ICE), and the Internal Revenue Service (IRS) field units. SOD also coordinates international conspiracy investigations for the importation of narcotics to ensure that these cases result in suitable evidence presentation in court. The staff at SOD specializes in areas such as electronic surveillance and international criminal conspiracy laws, while responding to specialized linguistic needs for international cases.

Intelligence Program

DEA's intelligence program is comprised of several components that are responsible for collecting, analyzing, and disseminating drug-related domestic intelligence. This intelligence

facilitates DEA seizures and arrests, strengthens investigations and prosecutions of major drug trafficking organizations, and provides policy makers with drug trend information upon which tactical and strategic decisions are based. DEA's intelligence program supports the El Paso Intelligence Center (EPIC), a multi-agency facility that serves as a clearinghouse for tactical intelligence and a central point for the collection, analysis, and dissemination of information related to worldwide drug movement and alien smuggling. EPIC provides support for all drug law enforcement interdiction operations and is accessible 24 hours a day/7 days a week.

The OCDETF Fusion Center (OFC)

DEA personnel assigned to the OFC participate in the collecting, analyzing and disseminating of all-source drug and related financial investigative information and intelligence to support coordinated, multi-jurisdictional investigations. These investigations are focused on the disruption and dismantlement of the most significant drug trafficking and money laundering enterprises.

DEA's Office of National Security Intelligence's Counterterrorism Efforts

The Office of National Security Intelligence (NN) of the DEA was designated a member of the Intelligence Community (IC) in February 2006. The objective of NN is to maximize DEA's contribution to national security, while protecting the primacy of its law enforcement mission. Through the efforts of NN, DEA fulfills the requirement to share intelligence mandated by the USA Patriot Act and the Attorney General's guidelines to share information.

In addition, DEA's drug trafficking and anti money laundering initiatives support and augment U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes utilized by foreign terrorist organizations and proceeds from illicit drug trafficking that support terrorism. Drug income is a source of revenue for some international terrorist groups. DEA investigations have identified links between groups and individuals under investigation for drug violations and terrorist organizations.

Mobile Enforcement Teams (MET)

DEA's FY 2008 appropriation provided \$20.6 million and 83 positions for the MET program. DEA's MET program assists State, local and tribal law enforcement by providing an immediate infusion of Special Agents and resources to penetrate and eliminate violent gangs and local drug trafficking organizations. DEA's MET Teams combat violent drug trafficking organizations in specific neighborhoods and restore safer environments for the residents. The FY 2009 Omnibus includes \$10 million added by Congress to enhance the MET program. This would provide funding for 32 Special Agents to create four additional teams (bringing the total to 14) and administrative support positions and \$2 million in operational funding to support all MET investigations.

State and Local Law Enforcement Officer Training

The State and Local Law Enforcement Officer Training Program provides law enforcement officers with essential skills needed to conduct narcotics investigations and contribute to the nationwide counter drug effort. DEA offers an array of classes to State and local officers to include Drug Enforcement Unit Commander training (DUCA), Federal Law Enforcement Analysis Training (FLEAT), and Narcotics Supervisory Leadership training. By teaching others the methodologies and techniques of drug enforcement, DEA is able to expand drug enforcement across the United States in a very cost-effective manner.

Demand Reduction

DEA will continue to engage in aggressive public messaging campaigns to illustrate the consequences of drug use, particularly for non-users who suffer collateral damage as a result of the illegal drug trade. Overall, DEA is committed to the principle that reducing the demand for drugs is a critical complement to its primary supply reduction mission.

2. PERFORMANCE AND RESOURCES TABLE

Decision Unit: Domestic Enforcement											
DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security											
Strategic Objective 1.2: Strengthen Partnerships to Prevent, Deter, and Respond to Terrorist Incidents											
WORKLOAD/ RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request	
Workload: Total Number of Counterterrorism-Related Products Completed by DEA's Office of Special Intelligence and SOD											
		††		1,334		††				††	
Total Costs and FTE		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		102	\$ 19,021 [\$0]	102	\$ 19,021 [\$0]	103	\$ 19,353 [\$0]	0	\$ 435 [\$0]	103	\$ 19,788 [\$0]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2008		FY 2008		FY 2009 Requirements		Current Services Adjustments		FY 2010 Current Services Request	
Program Activity	Domestic Enforcement	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		102	\$ 19,021 [\$0]	102	\$ 19,021 [\$0]	103	\$ 19,353 [\$0]	0	\$ 435 [\$0]	103	\$ 19,788 [\$0]
Performance Measure	Percent of Counterterrorism-Related Products Completed by DEA's Office of Special Intelligence and SOD										
		††		2%		††				††	

†† DEA's performance is based on requests generated by external agencies; therefore, targets for the percent and number of CT-related products cannot be established.

2. PERFORMANCE AND RESOURCES TABLE (Con't)

Decision Unit: Domestic Enforcement

DOJ Strategic Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interest of the American People
Strategic Objective 2.4: Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs

WORKLOAD/ RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request	
Workload: Number of Domestic Investigative Cases Worked		29,000		27,241		29,000		-		29,000	
Workload: Active PTOs Linked to CPOT Targets ¹		300		373		400		-		400	
Workload: Active PTOs Not Linked to CPOT Targets ¹		1,900		2,090		2,150		50		2,200	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		8,373	\$ 1,477,352 [365,672]	8,373	\$ 1,477,352 [365,672]	8,317	\$ 1,524,807 [369,666]	94	\$ 53,196 [6,963]	8,411	\$ 1,578,003 [376,629]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request	
Program Activity	Domestic Enforcement	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		8,373	\$ 1,477,352 [365,672]	8,373	\$ 1,477,352 [365,672]	8,317	\$ 1,524,807 [369,666]	94	\$ 53,196 [6,963]	8,411	\$ 1,578,003 [376,629]
Performance Measure	Active PTOs Linked to CPOT Targets Disrupted Pending Dismantlement ²	80		154		90		10		100	
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled	80/80		58/64		95/95		10/15		105/110	
Performance Measure	Active PTOs Not Linked to CPOT Targets Disrupted Pending Dismantlement ²	465		789		650		50		700	
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	360/460		449/553		550/650		50/150		600/800	
Efficiency Measure	% of Special Agent Investigative Work Hours Dedicated to PTO Investigations	67%		69%		70%		-		70%	
Performance Measure	# of State and Local Law Enforcement Officers Trained ³	35,780		46,982		38,500		-		38,500	
OUTCOME	Contribute to the reduce in the supply of illegal drugs available for consumption in the U.S. by 6 percent ⁴	TBD		TBD		TBD				TBD	

¹ Reflects active PTO investigations as of the end of the specified fiscal year.

² DEA, along with the FBI, contributes to the Department's consolidated performance measure, "CPOT-linked drug trafficking organizations, Disrupted/Dismantled." For purposes of consolidated reporting, "Active PTOs disrupted pending dismantlement (Domestic and International)," are added to "PTOs disrupted closed (Domestic and International)" to obtain DEA's total disruptions. PTOs disrupted pending dismantlement are active PTO investigations that have been successful at impeding the normal and effective operation of the targeted PTO, but are continuing towards the PTO's complete evisceration such that it is incapable of operating and/or reconstituting itself. For internal reporting purposes, DEA considers PTOs disrupted pending

³ This performance activity and performance measure does not include State and Local Clandestine Laboratory Enforcement training.

⁴ As indicated in the DOJ's new Strategic Plan for FY 2007 - FY 2012, Stewards of the American Dream, one of DOJ's Goals will be to develop meaningful baselines for the supply of drugs available for consumption in the United States (FY 2007-2009) and achieve a 6 percent reduction in the supply of illegal drugs available for consumption in the U.S. (using the established baseline - FY's 2010 - 2012).

Priority Targeting Program

Data Definition: Disruption means impeding the normal and effective operation of the targeted organization, as indicated by changes in organizational leadership and/or changes in methods of operation, including, for example, financing, trafficking patterns, communications or drug production. Disruption Pending Dismantlement means impeding the normal and effective operation of the targeted organization, but continuing towards the organization's complete evisceration such that it is incapable of operating and/or reconstituting itself. Dismantlement means destroying the organization's leadership, financial base and supply network such that the organization is incapable of operating and/or reconstituting itself.

The first CPOT List was issued in September, 2002, and is updated semi-annually. The List identifies the most significant international drug trafficking and money laundering organizations and those primarily responsible for the Nation's drug supply. Enforcement agencies are focused on identifying links among disparate domestic drug trafficking and money laundering organizations and on making connections to their ultimate sources of supply. Investigators continually work up and across the supply chain, with the goal of disrupting and dismantling the entire network controlled by or supporting a given CPOT organization. An organization is considered "linked" to a CPOT, if credible evidence exists (i.e., from corroborated confidential source information, phone tolls, Title III intercepts, financial records, or other similar investigative means) of a nexus between the primary target of the investigation and a CPOT target. The nexus need not be a direct connection to the CPOT, so long as a valid connection exists to a verified associate or component of the CPOT organization.

Data Validation and Verification: PTARRS provides a means of electronically validating and verifying PTO data through the following approval chain:

- * Case Agent - Through PTARRS, the Special Agent (SA) or Diversion Investigator (DI) begins the process by creating and proposing a PTO.
- * Group Supervisor (GS) – The GS reviews the PTO proposed by the SA/DI and approves it or sends it back to the SA/DI for additional information/clarification.
- * Assistant Special Agent in Charge (ASAC) - The ASAC reviews the PTO approved by the GS. If all of the necessary information included in the proposal meets the established criteria for a PTO, the ASAC approves the PTO.
- * Special Agent in Charge (SAC) - The SAC reviews the PTO approved by the ASAC and provides a case assessment for, or against, the nomination of the PTO. Once nominated by the SAC, PTARRS generates and saves a unique identification number for the nominated PTO.
- * Headquarters – At Headquarters, PTOs nominated by the SAC are assigned to the appropriate section within DEA's Office of Enforcement (OE). Once assigned, the corresponding OE Staff Coordinator validates all information reported on the PTO nomination. The validation process includes a review of the PTO nomination for completeness, compliance with established criteria, and confirmation of all related case linkages, including links to CPOT targets. Staff Coordinators coordinate with DEA's Special Operations Division and Intelligence Division to ensure that available facts exist to support all case linkages. In the unlikely event the documentation submitted is insufficient to validate the reported links, the Staff Coordinator will coordinate with the submitting GS to obtain the required information.

Data Limitations: All statistics are limited by a lack of a relational link between case files and enforcement outputs (e.g. arrest, seizure, and work hour data). The link is inferred through data manipulation, but some areas are prone to error until all data systems are linked in a relational manner, and errors are prevented through data validation and referential integrity.

State and Local Training

Data Definition: The DEA Training Academy receives quarterly training data from the field on training provided by Division Training Coordinators. The field data is combined with the data generated by the DEA Training Academy and reported quarterly based on the fiscal year.

Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.

PERFORMANCE MEASURE TABLE

Decision Unit: Domestic Enforcement												
Performance Report and Performance Plan Targets		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008		FY 2009	FY 2010
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target
Performance Measure	Percent of Counterterrorism-Related Products Completed by DEA's Office of Special Intelligence and SOD	N/A	N/A	13%	17%	18%	9%	3%	††	2%	††	††
Performance Measure	Active PTOs Linked to CPOT Targets Disrupted Pending Dismantlement	N/A	N/A	18	94	99	68	51	80	154	100	100
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled	N/A	7/10	17/11	24/22	69/95	69/68	51/61	80/80	58/64	95/95	105/110
Performance Measure	Active PTOs Not Linked to CPOT Targets Disrupted Pending Dismantlement	N/A	N/A	135	210	255	322	478	465	789	510	510
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	43/51	84/100	120/139	102/194	233/337	298/392	340/435	360/460	449/553	550/650	600/800
Efficiency Measure	% of Special Agent Investigative Work Hours Dedicated to PTO Investigations	N/A	26%	35%	45%	59%	64%	67%	67%	69%	70%	70%
Performance Measure	# of State and Local Law Enforcement Officers Trained ¹	43,760	36,110	39,552	33,358	40,810	40,236	41,252	35,780	46,982	38,500	38,500
OUTCOME Measure	Contribution to DOJ's Goal to reduce the Availability of Drugs in America	N/A	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

†† DEA's performance is based on requests generated by external agencies; therefore, targets for the percent and number of CT-related products cannot be established.

3. Performance, Resources, and Strategies

The Domestic Enforcement Decision Unit primarily contributes to DOJ's Strategic Goal 2: "Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People." Within this Goal, the resources specifically address DOJ's Strategic Objective 2.4: "Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs."

In FY 2007, a portion of the Domestic Enforcement decision unit was relocated to Strategic Goal 1: "Prevent Terrorism and Promote the Nation's Security". Within this Goal, the resources specifically address DOJ's Strategic Objective 1.2: "Strengthen Partnerships to Prevent, Deter, and Respond to Terrorist Incidents."

a. Performance Plan and Report for Outcomes

Strategic Objective 1.2 – Strengthen Partnerships to Prevent, Deter, and Respond to Terrorist Incidents

Currently, DEA has one performance measure related to its counterterrorism activities, which is reflected under DOJ's Strategic Goal 1 on the Performance and Resources Table. DEA is currently refining its performance measures for its Office of National Security Intelligence (NN) and plans to analyze these measures for the 2011 budget. DEA is also working with DOJ to develop an outcome measure for its counter terrorism activities that can be easily tracked and reported.

DEA does track and report the Percent of Counterterrorism-related Products Completed by DEA's Office of Special Intelligence and SOD. As of September 30, 2008, 2 percent of DEA's total products were related to counterterrorism. DEA does not project the number of counterterrorism-related products completed as most of DEA's products are in response to requests generated by external agencies and therefore difficult to predict.

Strategic Objective 2.4 – Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs

Although DEA is involved in counterterrorism, DEA's primary mission is drug enforcement and DEA's long-term goal is to contribute to DOJ's goal of reducing the availability of drugs in America.

Drug Availability

Please refer to the discussion on Drug Availability included in the International Enforcement Decision Unit narrative.

Priority Targeting Program

DEA's first two drug-related performance measures under DOJ's Strategic Goal 2 on the Domestic Enforcement Performance and Resources Table relate to the disruption, disruption

pending dismantlement or dismantlement of Priority Targets linked to CPOT targets. DEA's targeted level of performance for FY 2008 was the disruption of 80, the disruption pending dismantlement of 80, and the dismantlement of 80 Priority Targets linked to CPOTs. As of September 30, 2008, DEA reported 58 disruptions, 154 disruptions pending dismantlement, and 64 dismantlements of CPOT-linked Priority Targets. While DEA did not meet the expected targets in FY 2008, it still achieved significant results against these CPOT-linked PTOs. In fact, the FY 2008 CPOT-linked disruptions pending dismantlement are more than double the number achieved in FY 2007.

It is important to note that investigations against these targets have become more complex. CPOT level organizations learn from law enforcement's past successes, and adjust their operations accordingly to thwart law enforcement efforts. Law enforcement has been forced to pursue more complex investigative techniques to achieve a lasting impact against these organizations. This inherently takes more time. Pursuing such things as electronic surveillance and in-depth financial investigations has permitted the DEA to improve upon its success in permanently dismantling major drug trafficking organizations. However, these sophisticated techniques are more time intensive.

DEA's third and fourth performance measures under DOJ's Strategic Goal 2 on the Domestic Enforcement Performance and Resources Table relate to the disruption, disruption pending dismantlement or dismantlement of Priority Targets not linked to CPOT targets. The targeted level of performance in FY 2008 for Priority Targets not linked to CPOT targets is 360 disruptions, 465 disruptions pending dismantlement, and 460 dismantlements. As of September 30, 2008, DEA had 449 disruptions, 789 disruptions pending dismantlement, and 553 dismantlements of Priority Targets not linked to CPOT targets reported. DEA exceeded its FY 2008 targets primarily as a result of the continued focused enforcement efforts of junior Special Agents. The efforts of DEA's law enforcement personnel will also contribute to meeting or exceeding DEA's FY 2009 and FY 2010 targets for disrupting and dismantling Priority Targets not linked to CPOT targets.

To measure the level of effort concentrated on Priority Targets, DEA also tracks the percentage of total Special Agent investigative work hours spent investigating Priority Targets. As of September 30, 2008, approximately 69 percent of total Special Agent investigative work hours were committed to PTO investigations. DEA exceeded its FY 2008 target of 67 percent and anticipates meeting or exceeding its FY 2009 and FY 2010 target of 70 percent. This achievement in FY 2008 was primarily a result of DEA's continued focus on disrupting and dismantling the most prolific and violent drug trafficking organizations that threaten the health and well being of the United States.

State and Local Law Enforcement Officer Training

DEA's State and Local Law Enforcement Officer Training program has one primary performance measure which is the number of State and local law enforcement officers trained. Based on an analysis of prior year performance data, existing training capacity, and available funding, the FY 2008 annual target established for the number of State and local officers trained was 35,780. As of September 30, 2008, DEA trained 46,982 State and local officers and

exceeded its FY 2008 target. In fiscal years 2009 and 2010, DEA is maintaining its target for the number of State and local officers trained at 38,500.

b. Strategies to Accomplish Outcomes

To fulfill the critical mission of reducing drug use in the U.S., DEA devotes resources to the disruption or dismantlement of domestic Priority Targets. DEA's strategy is to attack entire drug trafficking organizations, from their international command and control, through their smuggling and transportation systems, down to their distribution cells that are networked throughout the United States. DEA's Priority Targets represent the major drug trafficking organizations responsible for the production, transportation, and distribution of illegal drugs destined for consumption in the United States and the recovery of profits from the sale of those illegal drugs. DEA accomplishes its strategy by:

- Exploiting drug trafficking organization vulnerabilities;
- Employing traditional and creative enforcement methods that lead to the disruption or dismantlement of targeted organizations and the incarceration of their leaders; and,
- Assessing the financial underpinnings of each organization and its key leaders to disrupt or dismantle financial organizations responsible for the control of capital belonging to the targeted organizations.

To achieve the strategic goal of contributing to DOJ's goal of reducing drug availability, DEA:

- Systematically disrupts or dismantles targeted organizations by arresting/convicting their leaders and facilitators, seizing and forfeiting their assets, targeting their money laundering operations, and destroying their command and control networks;
- Works with international offices to disrupt or dismantle domestic organizations directly affiliated with international cartels; and,
- Identifies and targets the national/regional organizations most responsible for the domestic distribution, manufacture, and diversion of precursor chemicals.

The following strategies outline DEA's plan to achieve the Domestic Enforcement objectives in FY 2010:

1. Reduce the flow of illicit drugs, money, and chemicals between the source zones and the United States.

DEA developed an International Drug Flow Attack Strategy, which is an innovative, multi-agency strategy, designed to significantly disrupt the flow of drugs, money, and chemicals between the source zones and the United States by attacking vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations. This strategy calls for aggressive, well-planned and coordinated enforcement operations with host-nation counterparts in global source, transit zones, and arrival zones. The strategy is supported by four pillars:

Intelligence-Driven Enforcement - Intelligence provided by an interagency working group is used to target threats and their vulnerabilities for enforcement action.

Complete and timely information sharing of intelligence, analytic approaches and trafficker organizational dynamics drives future operations and invites reciprocity on the part of other agencies. This sharing is achieved through the connectivity of communications and IT systems and the fusion of intelligence resources.

Predictive intelligence provides law enforcement with the ability to forecast the traffickers' actions and reactions to synchronized operations. It makes it possible to forecast the actions of drug trafficking organizations in response to enforcement activity, thus providing law enforcement with a unique tactic - the ability to out-plan and out-maneuver their adversaries before operations even commence.

Perception Management, based on intelligence, makes traffickers believe that law enforcement is operating in areas or are involved in activities that cause the traffickers to alter their methods rendering them vulnerable to enforcement action. Perception management is applied strategically to direct traffickers towards chokepoints where they are most vulnerable.

Multilateral Cooperation - Multi-Agency Campaign Planning provides an orderly schedule of strategic decisions and ensures synchronization and integration of air, land and sea efforts into synergistic whole. The result is coordinated, multi-agency drug enforcement operations that bring to bear the strengths and resources of the various agencies and are seamless in terms of limiting the trafficker's options to courses of action that law enforcement has predicted and prepared against. Enlisting the support of DEA's domestic and foreign law enforcement partners leverages and extends DEA's investigative, intelligence, and enforcement resources.

Sequential Enforcement Operations - Innovative, well-planned and coordinated, synchronized multi-agency operations that incorporate sequential interlocking and complimentary operations. Rather than conducting periodic surge operations, this strategy calls for a series of operations based on the effective use of predictive intelligence. These operations are conducted in the source, transit, and arrival zones - including our nation's Southwest and Northern borders. The result is a higher operational tempo creating a level of enforcement pressure to which drug trafficking organizations cannot successfully adapt.

Operational Agility - Synchronized operations must be flexible and mobile to have impact. In the execution of drug enforcement operations, the ability to shift resources, personnel, and enforcement pressure are essential to rapidly exploit trafficker vulnerabilities. This pillar requires the ability to operate on land, sea, or in the air - day or night - and relies on the availability of substantial aviation and travel resources.

2. Strengthen counternarcotics efforts to combat illicit drug trafficking along the Southwest Border.

Narcotics smuggling along the Southwest Border (SWB) poses a significant national security issue for the United States. The SWB provides hundreds of miles of open areas, which are an ideal environment for cross-border drug trafficking and money laundering activities. DEA has

identified the SWB as a major focus area of interest because the possibility exists for terrorist organizations to use established drug smuggling routes to smuggle dangerous individuals or weapons of mass destruction into the United States. Given this triple threat of illegal drugs, violence, and terrorism, DEA's efforts along the SWB are now more critical than ever. The FY 2010 enhancement expands and reinforces DEA operations on the SWB and our ability to disrupt and dismantle violent Mexican drug cartels; interdict illegal bulk currency movement and electronic currency transfers; and enhance Mexico's counterdrug capabilities. The FY 2010 enhancement includes an increased border presence to interrupt the flow of drugs to Mexican drug rings operating within the U.S., as well as additional positions across the nation to allow DEA to fully support SWB investigations that frequently involve drug trafficking organizations operating in U.S. cities far from borders. The enhancement will also support Special Field Intelligence Programs (SFIP) that focus on Mexican drug trafficking organizations operating in the U.S. and Mexico. One of DEA's responsibilities as a member of the Intelligence Community is to proactively provide reports of foreign intelligence value to the Community. The SFIPs are the primary vehicle through which DEA satisfies this responsibility. The program is designed to collect, analyze, and disseminate drug trafficking intelligence in areas where intelligence gaps exist.

3. Disrupt and dismantle Consolidated Priority Organization Targets (CPOTs).

The OCDETF Program, of which DEA is a leading participant, contributes to DOJ's Strategic Goal to reduce the supply of drugs available for consumption in the United States by targeting organizations on the CPOT list – the "Most Wanted" drug trafficking and money laundering organizations believed to be primarily responsible for the nation's illicit drug supply. The objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible and the source of the drug is eliminated. The disruption or dismantlement of CPOT organizations is accomplished primarily by multi-agency investigations. These investigations emphasize developing intelligence-driven operations to identify and target international drug trafficking organizations that play significant roles in the production, transportation, distribution, financing, or other support of large scale drug trafficking.

4. Deny drug revenues to drug trafficking organizations in order to disrupt trafficking activities and reduce drug availability.

The DEA Anti-Money Laundering Strategy is designed to reduce the threat, trafficking, use, and related violence of illegal drugs. DEA's perspective on the money laundering threat to the United States is two-fold. First, DEA is solely focused on proceeds generated by the illegal drug industry and the devastating effect this money has on the American public and financial services industry, as well as other governments and societies around the world. Second, DEA is addressing the threat that drug proceeds represent as a means of financing terrorist organizations. Due to the nature and scope of DEA's investigations and its global presence, evidence and intelligence gleaned from its investigations often provide critical information on terrorist financing, which is immediately shared through established protocols with those agencies charged with counter terrorism responsibilities. DEA's Anti-Money Laundering Strategy targets the flow of drug money back to sources of drug supply because these funds are destined to finance the next cycle of illegal drugs to be sent to the U.S. consumer market.

5. Utilize intelligence to support counternarcotics strategies and stop drug-related terrorist activities.

DEA's Intelligence Program has been refocused on the concept of predictive intelligence to identify trends and vulnerabilities and then direct limited enforcement resources to those areas. In addition to its traditional drug law enforcement mission, DEA has assumed new intelligence responsibilities and functions in 2006 to support the global war on terror. DEA has expanded its Intelligence Program and has implemented implementing the following initiatives: a new DEA Office of National Security Intelligence; a new Representation in the National Security Council Office for Combating Terrorism; an Organized Crime Drug Enforcement Task Force Fusion Center (OFC); a National Virtual Pointer System (an information system that provides federal, State and local law enforcement agencies with a target deconfliction capacity for all crimes); and the Centers for Drug Intelligence Program.

6. Disrupt and dismantle violent gangs involved in drug trafficking.

Major violent street gangs have become an increasing threat to the safety and security of our domestic communities. Law Enforcement authorities throughout the country report that gangs are responsible for most of the serious violent crime in the major cities of the United States. They commonly use drug trafficking as a means to finance their criminal activities. These gang drug trafficking organizations are often well organized, have an identifiable hierarchy with organized levels of command and control, and utilize sophisticated techniques and organizational processes to further their drug trafficking efforts.

7. Reduce the threat, trafficking, and use of methamphetamine.

Methamphetamine is a continuing problem in the United States. Once confined primarily to the west and mid-west, it is evident across the eastern half of the United States. Because of the unique characteristics of methamphetamine, fighting the drug demands aggressive and collaborative efforts. The Administration is focused on the following six methods to combat methamphetamine: work with state and local law enforcement; provide information and awareness training; strengthen international partnerships, specifically between the U.S. and Mexico; use additional tools to target methamphetamine traffickers, such as the Combat Methamphetamine Act; increase DEA's enforcement operations and arrests; and make methamphetamine prosecutions a priority for U.S. Attorneys.

8. Provide training to State and local law enforcement officers to improve the capabilities of State and local law enforcement agencies and their ability to enforce state drug laws.

The DEA Training Academy currently offers the following training opportunities for State and local law enforcement officers:

- One-week regional Diversion State and Local Training
- State and local training through its Domestic Field Division Offices / DTCs
- Two-week training at DEA's Drug Unit Commander Academy (DUCA)

- Intelligence training at the Federal Law Enforcement Training Center (FLETC)
- A one-week Narcotics Supervisory Leadership Program

9. Provide educational resources through the Headquarters' Demand Reduction Program sponsorship of National Red Ribbon Week.

National Red Ribbon Week serves as a tribute to Special Agent Camarena, who was kidnapped and brutally tortured and murdered by drug traffickers in Mexico. This tragic event produced an immediate outpouring of grief, but over time has generated a sense of hope across America. This hope is being kept alive through the hard work of thousands of Americans - particularly our young people - who participate in Red Ribbon events during the last week in October. National Red Ribbon Week is the most far-reaching and well-known drug prevention event in America. The National Family Partnership, which coordinates Red Ribbon activities nationally, estimates that over 80 million Americans participate in Red Ribbon events. During this period, events are held throughout the country and serve as prevention and educational resources for young children and their communities.

This page intentionally left blank

4. Program Increases

Item Name: Southwest Border Enforcement

Budget Decision Unit(s): Domestic

Strategic Goal(s) & Objective(s): Goal II, Strategic Objective 2.4

Organizational Program: Operations Division

Information Technology: No

Program Increase: Positions 128 Agents 70 FTE 64 Dollars \$24,075,000

Description of Item

DEA requests \$24,075,000 to expand and reinforce its operations on the Southwest Border. The Southwest Border is part of the larger Drug Flow Attack Strategy (DFAS) in the Western Hemisphere. DFAS is an innovative, multi-agency strategy designed to significantly disrupt the flow of drugs, money, and chemicals between the source zones and the United States by attacking vulnerabilities in the supply chains, transportation systems, and financial infrastructure of major drug trafficking organizations. This strategy promotes the security of our nation and its borders through aggressive, well-planned, and coordinated enforcement operations with host-nation counterparts in global source countries, transit zones, and arrival zones.

DEA seeks to enhance the Southwest Border (SWB) component of the DFAS in the Western Hemisphere to curb Mexican drug cartel violence that has remained elevated over the past three years and threatens to spread throughout the United States. The SWB enhancement includes an increased Mexican/American border presence to interrupt the flow of drugs to Mexican drug rings operating within the U.S. The enhancement would also place additional positions across the nation to allow DEA to fully support SWB investigations. SWB investigations frequently involve drug trafficking organizations operating in U.S. cities far from the Mexican/American border. Finally, the enhancement will augment the gathering of intelligence on Mexican DTOs operating in the U.S. and Mexico.

Justification

The Southwest Border is an integral part of DEA's Drug Flow Attack Strategy. Mexico is home to over one-third of the United States' "Most Wanted" drug trafficking and money laundering organizations—of the 51 criminal targets on the FY 2009 Consolidated Priority Organization Target (CPOT) list, 19 (37 percent) are based in Mexico. The SWB is also the primary arrival zone for most illicit drugs smuggled into our country. Methamphetamine seizures along the Southwest Border have increased from 1,170 kilograms in CY 2001 to 2,232 kilograms in CY 2008, a 91% increase. Additionally, large quantities of Mexican-produced marijuana and heroin enter the United States by way of the SWB. Finally, evidence of violence from Mexico's

warring drug cartels has been reported in a number of U.S. cities. It is possible the violence will spread to other American cities because of Mexican cartels' numerous drug trafficking networks within the U.S.

According to the National Drug Intelligence Center website, Mexican Drug Trafficking Organizations (DTOs) are the greatest drug trafficking threat to the United States; they control most of the U.S. drug market and have established varied transportation routes, advanced communications capabilities, and strong affiliations with gangs in the United States. Mexican DTOs control a greater portion of drug production, transportation, and distribution than any other criminal group or DTO. Mexican and Colombian drug trafficking organizations generate, remove, and launder between \$18 billion and \$39 billion in wholesale drug proceeds in the United States annually, a large portion of which is believed to be smuggled in bulk across the border back into Mexico. Law enforcement reporting indicates that Mexican DTOs maintain drug distribution networks or supply drugs to distributors in at least 230 U.S. cities.¹⁸

The violent effects of Mexico's warring drug cartels—where more than 6,000 people were killed in the last year in drug-related violence, double the number of the previous year—are being seen in Phoenix, AZ and Atlanta, GA, cities far from the U.S./Mexico border.¹⁹ In Phoenix, 150 miles north of the Mexican border, police have reported a sharp increase in kidnappings and home invasions, with about 350 each year for the last two years, and say the majority were committed at the behest of the Mexican drug gangs. Authorities in Atlanta are also seeing an increase in drug-related kidnappings tied to Mexican cartels.²⁰

While it was once believed Mexican drug violence would remain localized near the U.S./Mexico border, there is now fear that violence will spread to such distant places as Anchorage, AK; Boston, MA; and Sioux Falls, S.D.²¹ Mexican cartels are believed to have setup drug-dealing operations all over the U.S. where violence in the form of kidnappings, beatings, and murders may follow.

In order to appropriately address these issues, DEA requests the following resources for the Southwest Border initiative:

Southwest Border Enforcement Personnel: DEA requests 128 positions (including 70 domestic Special Agents and 25 Intelligence Analysts) and \$23,317,000 to prevent the flow of drugs across our Southwest border, which remains a critical front in our Nation's defense against both illegal drug trafficking and terrorism. Positions concentrated in the Southwest Border will enable DEA to carry out well-planned and coordinated enforcement operations in arrival zone areas. Additional positions located across the nation will allow DEA to fully support Southwest Border investigations which frequently involve drug trafficking organizations with operations that extend far into the U.S., including violent Mexican cartels. This request also includes

¹⁸ NDIC Website

¹⁹ Archibold, Randal C.. "Wave of Drug Violence is Creeping into Arizona from Mexico, Officials Say ." NY Times 23 Feb. 2009, natl. ed.

²⁰ Caldwell, Alicia A.. "Mexican Drug Violence Spills Over into the U.S." Washington Post 09 Feb. 2009, natl. ed.

²¹ Caldwell, Alicia A.. "Mexican Drug Violence Spills Over into the U.S.." Washington Post 09 Feb. 2009, natl. ed.

appropriate technical and administrative positions needed to support the investigative activities of the requested Special Agents.

There are two cases that characterize the impact DEA can have on major drug cartels. First, in February 2009 DEA concluded ***Operation Xcellerator***, a 21-month multi-agency law investigation targeting the Sinaloa Cartel. The Sinaloa Cartel dominates much of the drug smuggling on the Southwest Border and is responsible for bringing multi-ton quantities of cocaine and marijuana from Mexico into the United States through an enterprise of distribution cells in the United States and Canada. The Sinaloa Cartel is responsible for laundering hundreds of millions of dollars in criminal proceeds from illegal drug trafficking activities. As of February 25, 2009, *Operation Xcellerator* led to the arrest of 755 individuals and the seizure of approximately \$59.1 million in U.S. currency. Drug seizures included more than 12 metric tons of cocaine, more than 7.3 metric tons of marijuana, more than 1,200 pounds of methamphetamine, more than 8 kilograms of heroin, and approximately 1.3 million pills of Ecstasy.

The second case, ***Operation Reckoning (Phase I and II)***, a multi-agency law enforcement effort led by the DEA, targeted the Mexican drug trafficking cartel known as the Gulf Cartel. Among those indicted are the three alleged leaders of the Gulf Cartel: Ezequiel Cardenas-Guillen, Heriberto Lazcano-Lazcano and Jorge Eduardo Costilla-Sanchez. These individuals, each designated as Consolidated Priority Organization Targets (CPOTs) by the Organized Crime Drug Enforcement Task Force (OCDETF), have been indicted in U.S. District Court in the District of Columbia on charges that they conspired to import drugs into the United States from Mexico. This indictment was unsealed on September 16, 2008. In December 2008, *Phase II* concluded when eleven individuals were arrested in Nashville, TN and a total of 41 over a 2 week round-up as the second phase of Project Reckoning came to an end. . The operation led agents to a group of drug traffickers who ran a large gambling enterprise in Tennessee that included a massive and intricate cockfighting enterprise which one federal official called the “largest” he has ever seen in the United States.

The Southwest Border of the U.S. is the primary arrival zone for most illicit drugs smuggled into our country. Furthermore, of the eight principal corridors within the U.S. through which most illicit drugs and drug proceeds are transported to and from market areas, five begin in the Southwest Border region – three in the San Diego area and two at the Texas-Mexico border – and then continue into various areas of the U.S. The requested domestic personnel increase will allow for an increased level of enforcement pressure and will provide the Special Agent positions necessary to increase the operational tempo against vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations.

These new positions are requested for locations along the Southwest Border, but also throughout the nation. When making final FY 2010 position allocations, the most recent Drug Threat Assessment will be considered. These positions will be used for a variety of purposes such as possibly establishing new enforcement groups that would conduct more Title III investigations, develop more complex conspiracy cases, or better address the drug related violence seen on the border and in other American cities. The new positions may also be used to investigate and apprehend drug traffickers using public land along the Southwest Border and in other areas of

the United States or to address the increased workload related to Custom and Border Protection (CBP) seizures. Currently, DEA offices located on and near the U.S.-Mexico border spend up to 40 percent of their work hours responding to, processing, and prosecuting referral cases stemming from CBP seizures.

Special Field Intelligence Programs (SFIPs): DEA requests \$758,000 in support of Special Field Intelligence Programs (SFIPs) that respond to National Foreign Intelligence priorities. Part of DEA's Office of National Security Intelligence (NN's) mission is to proactively provide reports of foreign intelligence value to the Intelligence Community; the SFIP program will assist in addressing this. The SFIP program was designed to collect, analyze, and disseminate drug trafficking intelligence in areas where intelligence gaps exist. SFIPs are intended to achieve results such as:

- Identify emerging drug trafficking organizations and their modus operandi.
- Determine relationships of the drug trade or drug trafficking organizations with terrorists or other insurgent groups to include human smuggling organizations.
- Identify all aspects of money laundering, including bulk cash movement and the use of drug proceeds.
- Determine if illicit drugs are financing terrorist or insurgent activities.
- Develop Cooperating Individuals (CIs) to satisfy requirements levied on DEA field offices to collect information as requested by DEA Headquarters.

More specifically, DEA's plans for SFIP enhancement funds are two-fold. Part of the funds will be utilized for intelligence on Mexican drug cartels operating within Mexico. In this fashion, drugs can be captured and DTOs dismantled before damage is done in the United States. This component would also be used to gain intelligence on the possibility of terrorist organizations using established smuggling routes to gain entry to the U.S. The second component of the enhancement funding would be used for ***Operation Black Flag***. *Operation Black Flag* is a SFIP initiated in April 2008 due the escalation of drug-related violence among major Mexican cartels along the U.S. and Mexico border. The main goal of program is to track and report actionable intelligence regarding the capability and likelihood of these Mexican drug cartels to execute violent acts over the SWB into the United States. OBF intelligence is collected from United States and Mexican law enforcement agencies through the use of confidential sources, ongoing investigative reporting, and active telecommunications (T-III) intercepts. The program gathers intelligence according to Priority Intelligence Requirements (PIRs) approved by the El Paso, Houston, and Phoenix Field Divisions.

Impact on Performance

DEA's Drug Flow Attack Strategy directly addresses DOJ's Strategic Objective 2.4, "Reduce the threat, trafficking, use, and related violence of illegal drugs" by focusing intelligence and enforcement resources to disrupt and dismantle DTOs. An increase in intelligence from the SFIP will enable DEA to deny revenue to Mexican DTOs, diminishing their influence and curtailing violence.

DEA's performance and the overall impact of the strategy will be defined by revenue denied to DTOs and the disruptions and dismantlements of PTO and CPOT drug trafficking organizations pursuant to major enforcement operations and drug investigations. Nineteen of the 51 criminal targets on the FY 2009 Consolidated Priority Organization Target (CPOT) list (37 percent) are based in Mexico. Success in disrupting CPOTs is evidenced in *Operation All Inclusive 2008-1* which included the arrests of Consolidated Priority Organization Targets (CPOTs) Jorge Mario Paredes-Cordova and Eduardo Arellano-Felix as well as Priority Targets Luis Urbina-Amaya, Lester Marina-Pastor, and Juan Rivera-Perez. Additional highlights of *OAI 2008-1* include the seizure of an underground weapons training facility in Tijuana, Mexico controlled by the Arellano-Felix DTO; the seizure of almost \$12 million in U.S. currency from containerized cargo at the Port of Manzanillo, Colima, Mexico; and the July 2008 seizure by the Mexican Navy of the first-ever self-propelled semi-submersible (SPSS) off the Pacific Coast of Mexico. The seizure of this vessel resulted in a total of 5.8 metric tons of cocaine seized and the arrest of four Colombian nationals. A Special Field Intelligence Program enhancement increases the potential for high-impact results as the aforementioned by improving the quality and increasing the quantity of intelligence available.

DEA has also had success in denying revenue to DTOs. In FY 2008, DEA denied drug traffickers \$2.9 billion in revenue—\$300 million over the stated goal. DEA's revenue denied seizure goal for FY 2009 is 3 billion.

Base Funding

FY 2008 Enacted				FY 2009 Estimate				FY 2010 Current Services			
Pos	Agents	FTE	\$000	Pos	Agents	FTE	\$000	Pos	Agents	FTE	\$000
1,576	979	1,443	457,005	1,659	1,041	1,488	481,116	1,659	1,041	1,530	488,207

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2010 Request (\$000)	FY 2011 Net Annualization (Change from 2010) (\$000)
Special Agent	\$ 228	70	\$ 15,960	\$ (980)
Intelligence Analyst	115	25	2,875	700
Chemist	246	4	984	(324)
ITS	192	13	2,496	(520)
Professional/Administrative	67	6	402	198
Technical/Clerical	60	10	600	260
Total Personnel		128	\$ 23,317	\$ (666)

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2010	FY 2011 Net
Special Field Intelligence Program	-	-	\$758	\$ -
Total Non-Personnel	-	-	\$758	\$ -

Total Request for this Item

	Pos	Agents	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)
Current Services	1,659	1,041	1,530	\$311,807	\$176,400	\$488,207
Increases	128	70	64	\$23,317	\$758	\$24,075
Grand Total	1,787	1,111	1,594	\$335,124	\$177,158	\$512,282

C. State and Local Assistance

State and Local Assistance - Total	Perm. Pos.	FTE	Amount \$(000)
2008 Enacted	28	26	\$6,373
2008 Supplementals	0	0	0
2008 Enacted with Supplementals	28	26	6,373
2009 Enacted	28	26	6,508
Adjustments to Base and Technical Adjustments	0	0	106
2010 Current Services	28	26	6,614
2010 Program Increases	0	0	0
2010 Request	28	26	6,614
Total Change 2009-2010	0	0	\$106

1. Program Description

Through its expertise and leadership, DEA continues to support State and local efforts with specialized programs aimed at reducing the availability of drugs. In FY 2010, DEA will provide direct assistance to State and local law enforcement through its State and Local Law Enforcement Officer Clandestine Laboratory Training, Hazardous Waste Program (Clandestine Drug Laboratory Cleanup), and the Domestic Cannabis Eradication/Suppression Program.

As the nation's drug law enforcement organization, DEA has the responsibility to respond to clandestine laboratory training requirements, hazardous waste cleanup, and cannabis eradication/suppression needs of the U.S. law enforcement community. DEA supports State and local law enforcement with methamphetamine-related assistance and training, which allows State and local agencies to better address the methamphetamine threat in their communities and reduce the impact that methamphetamine has on the quality of life for America's citizens. By teaching and assisting others in the techniques of clandestine laboratory drug enforcement, hazardous waste cleanup, and cannabis eradication/suppression, DEA is able to expand drug enforcement across the United States in a very cost-effective manner.

2. PERFORMANCE AND RESOURCES TABLE

Decision Unit: State and Local Assistance										
DOJ Strategic Goal 2: Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of the American People										
Strategic Objective 2.4: Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs										
WORKLOAD/ RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request
Workload: Varies by Program										
Total Costs and FTE		FTE		\$000		FTE		\$000		FTE
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		29	\$ 6,373 [37,982]	29	\$ 6,373 [37,982]	29	\$ 6,508 [22,982]	0	\$ 106 [-5,000]	29
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY 2010 Program Changes		FY 2010 Request
Program Activity	1. Hazardous Waste Program/State and Local Clandestine Laboratory Training/Domestic Cannabis Eradication/Suppression Program	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE
		29	\$ 6,373 [37,982]	29	\$ 6,373 [37,982]	29	\$ 6,508 [22,982]	0	\$ 106 [-5,000]	29
Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	800		968		940		10		950
Performance Measure	# of Clan Lab Cleanups (DEA/S&L)	††		107/3767		††		-		††
Performance Measure	# of Marijuana Plants Eradicated (Includes Plants Cultivated Indoors and Outdoors) ¹	6,000,000		8,013,308		7,000,000		0		7,000,000
OUTCOME	Contribution to DOJ's Goal to Reduce the Availability of Drugs in America ²	TBD		TBD		TBD		-		TBD
†† Since performance for DEA's Hazardous Waste Program is reactive, it is difficult to target; therefore no targets are included.										
¹ Actual performance for the Domestic Cannabis Eradication/Suppression Program is reported on the calendar year ending December 31.										
² One of DOJ's Goals is to reduce drug availability in America by 6% by 2012. DEA is developing a methodology to determine its contribution as discussed in section 3.a. of Performance, Resources, and Strategies.										

State and Local Clandestine Laboratory Training

Data Definition: The DEA Training Academy receives quarterly training data from the field on training provided by Division Training Coordinators. The field data is combined with the data generated by the DEA Training Academy and reported quarterly based on the fiscal year.

Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.

Hazardous Waste Program

Data Definition: DEA's Hazardous Waste Unit tracks the number of DEA funded state/local cleanups and federal cleanups

Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.

Domestic Cannabis Eradication/Suppression Program

Data Definition: Domestic Cannabis Eradication/Suppression Program participants submit data monthly to DEA's program coordinators in the field. This data is compiled by DEA's program coordinators and submitted to Headquarters in a monthly report. Data is tabulated for publication annually based on the calendar year. Final CY figures are normally available in the March/April timeframe.

Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.

PERFORMANCE MEASURE TABLE

Decision Unit: State and Local Assistance												
Performance Report and Performance Plan Targets		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008		FY 2009	FY 2010
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target
Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	1,049	1,275	1,573	1,029	1,043	1,077	952	800	968	940	950
Performance Measure	# of Clan Lab Cleanups (DEA/S&L)	724/5,949	571/6,936	437/8,174	323/9,443	217/8,636	132/4,581	74/3,295	††	107/3,767	††	††
Performance Measure	# of Marijuana Plants Eradicated (Includes Plants Cultivated Indoors and Outdoors) ¹	3,304,760	3,341,840	3,651,106	3,200,121	4,209,086	5,029,317	7,034,327	6,000,000	8,013,308	7,000,000	7,000,000
OUTCOME Measure	Contribution to DOJ's Goal to Reduce the Availability of Drugs in America	N/A	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

†† Since performance for DEA's Hazardous Waste Program is reactive, it is difficult to target; therefore no targets are included.

¹ Actual performance for the Domestic Cannabis Eradication/Suppression Program is reported on the calendar year ending December 31. CY 2009 and 2010 targets assume continuing National Guard Bureau / DoD support and no change to the current marijuana threat.

3. Performance, Resources, and Strategies

The State and Local Assistance Decision Unit contributes to DOJ's Strategic Goal 2: "Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People." Within this Goal, the resources specifically address DOJ's Strategic Objective 2.4: "Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs."

a. Performance Plan and Report for Outcomes

DEA's State and Local Assistance Decision Unit consists of three areas: State and Local Law Enforcement Officer Clandestine Laboratory Training courses, DEA's Hazardous Waste Program (Clandestine Drug Laboratory Cleanup), and the Domestic Cannabis Eradication/Suppression Program. Since each program area has identified unique performance measures related to their specific activities, they are addressed separately below.

State and Local Law Enforcement Officer Clandestine Laboratory Training

DEA continues to conduct one of the most critical, specialized training programs offered to State and local law enforcement officers in the area of Clandestine Laboratory Training. DEA trains these officers on the latest safety techniques and methods in detecting and investigating clandestine methamphetamine labs. Often, it is the State and local police who first encounter these clandestine labs and must ensure that they are investigated, dismantled, and disposed of appropriately.

DEA offers three Clandestine Laboratory Training courses (State and Local Clandestine Laboratory Certification, Clandestine Laboratory Site Safety, and Clandestine Laboratory Tactical training). The first two courses provide detailed information regarding Occupational Safety and Health Administration (OSHA) regulations and standards. Officers are informed of the hazards that they are likely to encounter and how to handle these hazards. For example, during training, officers become familiar with the personal protective equipment that must be worn when dismantling a clandestine lab. During the third course, officers are taught the difference between traditional drug investigations and clandestine laboratory investigations.

In FY 2004, Congress approved the use of \$8,100,000 from DEA's prior year unobligated balances for the design, construction, and ownership of a clandestine laboratory training facility to continue the support of Clandestine Laboratory training. Subsequently, DEA received an additional \$8,000,000 to complete the construction. On December 5, 2008, a dedication ceremony was held for the 31,600 square foot Clandestine Laboratory and Research Center, located near the DEA Training Academy on Quantico Marine Corps Base, Virginia. All of the venues specific to clandestine laboratory training and certification are now under one roof. Most importantly, the facility contains an analytical laboratory where the basic certification course students actually produce methamphetamine. Previously, students were transported to the Mid-Atlantic Laboratory in Largo, Maryland, to conduct this portion of the class.

Since FY 1999, DEA has trained over 10,000 State and local law enforcement officers in identifying and processing clandestine laboratories. Teaching others the techniques used to investigate and dismantle clandestine labs acts as a force multiplier for DEA. DEA's targeted level of performance for FY 2008 was to train 800 State and local officers. As of September 30, 2008, DEA trained 968 State and local officers.

Hazardous Waste Program (Clandestine Drug Laboratory Cleanup)

Since 1980, the Environmental Protection Agency's hazardous waste regulations (under the Resource Conservation and Recovery Act) have required generators of hazardous waste to properly manage their waste. Thus, DEA along with State and local law enforcement agencies become the "generator" of hazardous waste when a clandestine drug laboratory is seized.

The DEA Laboratory System established a program in 1990 to address environmental concerns from the seizure of clandestine drug laboratories. The amount of waste material and chemicals taken from a clandestine drug laboratory may vary from a few pounds to several tons, depending on the size of the laboratory and its manufacturing capabilities. Wastes may be highly toxic, flammable, corrosive, reactive and, in some cases, radioactive. These wastes have caused injury and death to laboratory operators, and fires and explosions that have contaminated the interior of homes, apartments, motels, etc. In some instances, these wastes have been indiscriminately dumped in pits, streams, lakes, septic tanks, and along the roadside.

Cleaning up a seized clandestine drug laboratory is a complex, dangerous, and expensive undertaking. However, the DEA Hazardous Waste Program has been successful in promoting the safety of law enforcement personnel and the public, protecting the environment, and minimizing the agency's liability.

DEA's program promotes the safety of law enforcement personnel and the public by using highly qualified companies with specialized training and equipment to perform the removal of the wastes at the seized laboratory. DEA's Hazardous Waste Cleanup and Disposal Contract (HWCDC) is serviced by numerous contractors. Using these contractors reduces the risk of injury to law enforcement personnel and the public from the cleanup of the seized laboratory and, due to the nationwide network of contractors, the response time is reduced.

The use of highly qualified contractors also helps to protect the environment by ensuring strict adherence to the applicable environmental laws and regulations, including safe transportation to storage and disposal facilities. Compliance with applicable laws and regulations not only reduces the probability of indiscriminate contamination of the environment from hazardous wastes at clandestine drug laboratories, but also minimizes DEA's liability.

DEA's Hazardous Waste Program (Clandestine Drug Laboratory Cleanup) has one primary performance measure – the number of Clandestine Drug Laboratory Clean Ups funded by DEA. Based on data provided by DEA's Hazardous Waste Unit, as of September 30, 2008, DEA funded 3,767 state/local cleanups and 107 federal cleanups. Since program performance is reactive, it is difficult to target; therefore, no targets are included for FY 2009 and FY 2010.

Domestic Cannabis Eradication/Suppression Program

The Domestic Cannabis Eradication/Suppression Program is a nationwide law enforcement program that exclusively targets marijuana. DEA administers the program through Reimbursement Agreements with OJP and AFF to fund operational plans for eradication campaigns and suppression programs. DEA's current performance measure for the program is the Number of Marijuana Plants Eradicated (Including Plants Cultivated Indoors and Outdoors).

Since eradication is based on the growing season, all program performance data is collected and reported on the calendar year with performance weighted towards the end of the year. Domestically cultivated marijuana is dependant on climatic conditions, therefore, extreme circumstances such as flood, drought, and fire can dramatically impact the amount of product cultivated and therefore seized. Taking these uncontrollable factors into consideration, DEA estimated that in CY 2008, 6,000,000 cannabis plants would be destroyed. DEA exceeded its CY 2008 target with 8,013,308 plants eradicated. DEA has established the target of 7,000,000 marijuana plants eradicated for CY 2009 and will work diligently to meet or exceed this target.

b. Strategies to Accomplish Outcomes

- To fulfill the critical mission of reducing drug availability in the United States, DEA devotes the resources necessary to assist State and local agencies with drug enforcement efforts. As of the end of the first quarter of FY 2009, DEA leads 256 state and local task forces with an on-board strength of 1,763 DEA Special Agents and 2,181 state and local task force officers, all of whom are deputized with Title 21 authority and dedicated full time to addressing the drug trafficking problems in their local communities. In 2009, DEA approved 37 new tactical Diversion Squads (TDS) distributed in each domestic division, with a total of 269 new TFO positions. Part of DEA's overall strategy is to complement State and local efforts with specialized programs aimed at reducing the availability of drugs through DEA's expertise and leadership. To achieve this goal, DEA:
 - Improves the capabilities of State and local enforcement efforts with specialized clandestine laboratory training programs that improve their abilities to enforce State drug laws;
 - Assists state and local law enforcement efforts to cleanup hazardous wastes produced from seized clandestine drug laboratories; and
 - Assists state and local efforts to control the production of cannabis through the Domestic Cannabis Eradication/Suppression Program.

The following strategies outline DEA's plan to achieve the State and Local Assistance objectives:

1. Provide clandestine laboratory training to State and local law enforcement officers to improve the capabilities of State and local law enforcement agencies and their ability to investigate, dismantle, and dispose of clandestine drug labs.

State and local law enforcement officers are taught how to handle the hazards they will encounter in these laboratories and the procedural differences between traditional drug investigations and clandestine laboratory investigations. They also receive familiarization training on the personal protective equipment that must be worn when dismantling a clandestine laboratory. The U.S. Code of Federal Regulations mandates that all federal, state, and local law enforcement officers receive at least 24 hours of hazardous chemical handling training prior to entering a clandestine drug laboratory.

2. Assist state and local law enforcement efforts to cleanup hazardous wastes produced from seized clandestine drug laboratories.

DEA's program promotes the safety of law enforcement personnel and the public by using highly qualified companies with specialized training and equipment to perform the removal of hazardous wastes generated by seized clandestine drug laboratories.

3. Assist local efforts to control the production of cannabis.

The Domestic Cannabis Eradication/Suppression Program assignments include providing operational and training assistance to state/local agencies, monitoring activities, and acting as a conduit for intelligence and information with DEA Headquarters. This assistance and joint cooperation allows for the enhancement of already aggressive eradication enforcement activities throughout the nation. However, the success of the Domestic Cannabis Eradication/Suppression Program is directly attributed to the decision of the participating agencies to share intelligence, technology, and manpower

D. Diversion Control Fee Account

Diversion Control Fee Account - Total	Perm. Pos.	FTE	Amount \$(000)
2008 Enacted	1,187	1,176	\$239,249
2008 Supplementals	0	0	0
2008 Enacted with Supplementals	1,187	1,176	239,249
2009 Enacted	1,188	1,184	244,450
Adjustments to Base and Technical Adjustments	0	0	4,634
2010 Current Services	1,188	1,184	249,084
2010 Program Increases	11	6	2,706
2010 Request	1,199	1,190	251,790
Total Change 2009-2010	11	6	\$7,340

1. Program Description

The Office of Diversion Control (OD) is responsible for carrying out a primary mission of the Drug Enforcement Administration: to enforce the Controlled Substances Act (CSA) and its regulations pertaining to pharmaceutical controlled substances and listed chemicals. OD actively monitors more than 1.3 million individuals and companies that are registered with DEA to handle controlled substances or listed chemicals through a system of scheduling, quotas, recordkeeping, reporting, and security requirements.

The Diversion Control Program (DCP) implements an infrastructure of controls established through the Controlled Substances Act and ancillary regulations. This system balances the protection of public health and safety by preventing the diversion of controlled substances and listed chemicals while ensuring an adequate and uninterrupted supply for legitimate needs. The DCP conducts and facilitates domestic and international investigations; plans and allocates program resources; promulgates regulations; and conducts liaison with industry as well as federal, state, and local counterparts.

The Problem of Diversion

The diversion and abuse of pharmaceutical controlled substances has long been a problem, but these problems have become more acute in recent years. There are many factors contributing to the increased abuse of prescription drugs. Many mistakenly believe that abusing prescription drugs is safer than using illicit street drugs. Prescription drugs are easily obtainable from friends and family. Moreover, many people are not aware of the potentially serious consequences of using prescription drugs non-medically.

Over the last several years, national surveys have documented an increasing trend in the abuse or non-medical use of prescription drugs in the United States. In 2000, the National Survey on Drug Use and Health reported that 3.8 million Americans were current non-medical users of prescription drugs. That number increased to approximately 6.9 million non-medical users in 2007, representing more than an 80 percent increase. Mortality rates have also increased in conjunction with the non-medical use of prescription medication.

The Centers for Disease Control (CDC) reported that “the number of deaths involving prescription opioid analgesics increased from roughly 2,900 in 1999 to 7,500 in 2004, an increase of 160 percent in 5 years.” CDC also reported that unintentional poisoning deaths attributed to methadone increased from 786 in 1999 to 4,462 in 2005, a 467.7 percent change and that unintentional poisoning deaths attributed to psychotherapeutic drugs increased from 671 in 1999 to 1,300 in 2004, an 83.5 percent change.

DEA focuses the majority of its investigations on where the diversion occurs the most, at the pharmacy and practitioner level of the distribution chain. This includes non-registrants and end users who are involved in large-scale diversion, prescription fraud (prescriptions that were written in the name of a practitioner who did not authorize the dispensing of a controlled substance), and doctor shopping (drug seekers who present various complaints to multiple physicians to procure controlled substances). Thefts and robberies from pharmacies, illegal Internet distribution organizations (individuals and organizations that operate over the Internet and prescribe and dispense controlled substances without a valid prescription), prescription fraud, doctor shopping, and inappropriate or illegal distribution and dispensing by health practitioners or non-registrants represent the majority of investigations initiated by DEA.

All of the goals, strategies and initiatives supported by the DCP are intended to establish stronger standards of control, aid in preventing the diversion of pharmaceutical controlled substances and chemicals, and enhance public safety by building greater accountability and qualitative reporting requirements into its network of compliance indicators.

2. PERFORMANCE AND RESOURCES TABLE

Decision Unit: Diversion Control											
DOJ Strategic Goal 2: Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of the American People											
Strategic Objective 2.4: Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs											
WORKLOAD/ RESOURCES		Final Target		Actual		Projected		Changes		Requested (Total)	
		FY 2008		FY 2008		FY 2009 Enacted		Current Services Adjustments and FY2010 Program Changes		FY 2010 Request	
Workload Measure	Number of Drug and Chemical Registrants (On Board as of October 1st)	1,306,600		1,306,179		1,333,000		31,900		1,364,900	
Workload Measure	Number of Drug and Chemical Applicants and Renewals Processed (throughout the FY)	71,500		78,603		73,150		1,750		74,900	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		1,176	\$ 239,249 [\$0]	1,176	\$ 239,249 [\$0]	1,184	\$ 244,450 [\$0]	6	\$ 7,340 [\$0]	1,190	\$ 251,790 [\$0]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2008		FY 2008		FY 2009 Requirements		Current Services Adjustments		FY 2010 Current Services Request	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	Diversion of Licit Drugs and Chemicals	1,176	\$ 239,249 [\$0]	1,176	\$ 239,249 [\$0]	1,184	\$ 244,450 [\$0]	6	\$ 7,340 [\$0]	1,190	\$ 251,790 [\$0]
Performance Measure	Number of Active Controlled Substance Act (CSA) and Chemical Diversion & Trafficking Act (CDTA) Complaint, Criminal & Scheduled Investigations Worked	5,140		5,321		5,400		100		5,500	
Performance Measure	Number of Administrative/Civil Sanctions (Disrupt)	510		649		520		20		540	
Performance Measure	Number of Administrative/Criminal Sanctions (Dismantle)	730		952		750		20		770	
Performance Measure	List I Chemical Scheduled Investigations for CDTA Compliance Initiated as a Percentage of Diversion Investigators (Non-Supervisory) On-Board (%)	100.00%		106.70%		100.00%		-		100.00%	
Performance Measure	Percentage of Adjusted Type B Scheduled Investigations for CSA Compliance Initiated	100.00%		222.70%		100.00%		0%		100.00%	
Efficiency Measure	Number of Registrations Processed per FTE	34,500		50,439		50,600		2,530		53,130	
Efficiency Measure	Percent of CSA and CDTA Registrations (New Applications only) Processed Electronically	58.0%		77.85%		80.0%		5%		85.0%	
OUTCOME	Ensure Registrant Compliance with the CSA - Adjusted Type B Registrant Compliance Indicator (%)	98.00%		88.54%		98.00%		0%		98.00%	

Data Definitions:

Types of Registrants:

* Type A Registrants dispense controlled substances at the retail level. These include pharmacies, hospitals, clinics, practitioners, teaching institutions and mid-level practitioners (nurse practitioners, physician assistants, etc.).

* Type B Registrants manufacture and distribute controlled substances at the wholesale level. These include manufacturers, distributors, analytical labs, importers/exporters, researchers and narcotic treatment programs.

* Chemical Registrants manufacture and distribute chemicals at the wholesale and retail level. These include retail distributors, manufacturers, distributors, importers and exporters.

Complaint Investigation on CSA/CDTA Registrants: All non-scheduled regulatory investigations of CSA/CDTA violations/violators. These include: Priority Target Organizations (PTOs); criminal investigations; administrative investigations; Drug Oriented Investigations (DOIs); and, civil investigations.

Sanction Categories:

* Disrupt: Consists of civil fines, administrative hearings, letters of admonition, suspension and restriction. Registrants usually retain the DEA Registration with restrictions and/or financial penalty. Registrants may be temporarily denied access to controlled substances/chemicals.

* Dismantle: Consists of surrender for cause, revocation and denial. Registrants lose or forfeit the DEA Registration or are convicted of a drug felony. Registrants are permanently denied access to controlled substances/chemicals pending a reversal of circumstances.

List 1 Chemical Investigations (%): The Number of List I Chemical Investigations (fiscal year target) is pre-determined by the on-board strength of non-supervisory Diversion Investigators (DI) at the beginning of the fiscal year. Each non-supervisory DI is required to conduct at least one, but no more than two, List I regulatory investigations per fiscal year. Thus, the annual target or goal is one investigation per non-supervisory DI and it is expressed as a percentage of non-supervisory DIs on-board or 100%.

Adjusted Type B Compliant Indicator (%) = (Adjusted Number of Type B Registrants – Adjusted Number of Non-Compliant Type B Registrants) / (Adjusted Number of Type B Registrants)
X 100 %

Data Collection and Storage: During the reporting quarter, the Diversion field offices change the status of a registrant's CSA2 Master record to reflect any Regulatory Investigative actions that are being conducted on the registrant. The reporting of the Regulatory action by each field office is available on a real-time basis through the reporting system within CSA2, as the investigative status change occurs. The Regulatory investigative actions that are collected in a real-time environment are as follows: letters of admonition/MOU, civil fines, administrative hearing, order to show cause, restricted record, suspension, surrender for cause, revocations, and applications denied. The CSA2 enables DEA to maintain all of the historical and investigative information on DEA registrants. It also serves as the final repository for a majority of punitive (i.e. sanctions) actions levied against CSA violators.

Data Validation and Verification: The Diversion Investigator and the field office Group Supervisor (GS) are tasked to ensure that timely and accurate reporting is accomplished as the registrants investigative status change occurs. Both GS and the Diversion Program Manager (DPM) have the ability to view the report of ingoing and completed Regulatory Investigation actions for their office/division at any time during the quarter or at the quarter's end, since the actions are in real-time.

Data Limitations: The content of the quarterly reports is restricted to Regulatory Investigative action on controlled substance/List 1 chemical registrants and makes no mention of budgetary information. Timeliness is not considered a limitation since the data is collected as the change in the status of the investigation occurs.

PERFORMANCE MEASURE TABLE

Decision Unit: Diversion Control

Performance Report and Performance Plan Targets		FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008		FY 2009	FY 2010
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Number of Active Controlled Substance Act (CSA) and Chemical Diversion & Trafficking Act (CDTA) Complaint, Criminal & Scheduled Investigations Worked	2,962	2,974	4,861	2,774	2,864	5,137	5,319	5,140	5,321	5,400	5,500
Performance Measure	Number of Administrative/Civil Sanctions (Disrupt)	440	528	492	504	510	501	518	510	649	520	540
Performance Measure	Number of Administrative/Criminal Sanctions (Dismantle)	573	495	548	618	628	711	743	730	952	750	770
Performance Measure	List I Chemical Scheduled Investigations for CSA Compliance Initiated as a Percentage of Diversion Investigators (non-supervisory) On-Board (%)	118%	139%	119%	90%	98%	85%	90%	100%	107%	100%	100%
Performance Measure	Percentage of Adjusted Type B Scheduled Investigations for CSA Compliance Initiated	21.15%	21.97%	19.60%	19.90%	18.85%	25.30%	105.17%	100.00%	222.70%	100.00%	100.00%
Efficiency Measure	Number of Registrations Processed per FTE	N/A	N/A	N/A	22,004	23,846	27,974	34,219	34,500	50,439	50,600	53,130
Efficiency Measure	Percent of CSA and CDTA Registrations (New Applications only) Processed Electronically	N/A	N/A	N/A	11.7%	40.9%	56.0%	57.9%	58.0%	77.85%	80.0%	85.0%
OUTCOME Measure	Ensure Registrant Compliance with the CSA - Adjusted Type B Registrant Compliance Indicator (%)	95.38%	95.80%	97.70%	96.83%	97.04%	95.66%	97.10%	98.00%	88.54%	98.00%	98.00%

3. Performance, Resources, and Strategies

The DCP Decision Unit contributes to DOJ's Strategic Goal 2: "Prevent Crime, Enforce Federal Laws and Represent the Rights and Interests of the American People." Within this goal, the resources specifically address DOJ's Strategic Objective 2.4: "Reduce the Threat, Trafficking, Use, and Related Violence of Illegal Drugs." Diversion Control resources ensure a strong deterrence against the diversion and illegal prescribing of controlled substances and chemicals.

a. Performance Plan and Report for Outcomes

The Total Number of Drug and Chemical Registrants and Applications Processed are the overall workload measures for the DCP, and the performance outcome measure for this decision unit is the Adjusted Type B Registrant Compliant Indicator.

Adjusted Type B Registrant Compliant Indicator

The DCP drug-related workload measures consist of two distinct groups: Type A registrants/applicants (retailers) and Type B registrants/applicants (wholesalers). While the majority of DEA registrants are Type A registrants (e.g., pharmacies, clinics/hospitals, and practitioners), the Type B registrants (e.g., manufacturers, distributors, importers and narcotic treatment programs) are considered the sources of supply for controlled pharmaceutical products; and, therefore represent a higher level of risk. Due to the enormous quantities of controlled substances that Type B registrants handle, their level of compliance with DEA regulations significantly impacts the integrity of the closed system of distribution. A compliant Type B registrant ensures, as best as possible, that their controlled substance products remain within the legitimate distribution chain, while a non-compliant Type B registrant has the potential of allowing millions of dosage units of raw and/or finished product into the illicit market. A scheduled investigation of a Type B registrant that results in no action indicates that the registrant is compliant with DEA regulations.

A component of Type B Registrants that is closely monitored is Adjusted Type B Registrants. Adjusted Type B Registrants exclude researchers and analytical labs because the amount of controlled substances maintained or supplied to these Type B registrants is minimal, and the risk to public safety is nominal relative to the vast amount of controlled substances handled by manufacturers, distributors, importer/exporters, and narcotic treatment programs. Adjusted Type B registrants are often referred to as the wholesale population or bulk handlers of controlled substances.

Therefore, the outcome measure, Adjusted Type B Registrant Compliant Indicator, which is defined as the adjusted number of compliant Type B registrants divided by the total number of adjusted Type B registrants, provides a good measure of DEA's regulatory activity and effectiveness among its registrants who pose a higher risk to public safety. This performance measure tracks the percentage of the wholesale population or "bulk handlers" of controlled substances who are compliant with the CSA and it represents a key measure of the agency's effort to safeguard the public.

General compliance among DCP registrants is very high. The potential explanation for such high levels of compliance is rooted in the fact that each registrant functions as a business entity, and as such, has Federal, State and local licensing requirements that criminal entities circumvent. The degree of noncompliance and the corresponding action taken by the DCP runs the gamut. However, at the most egregious level, the violators are subject to administrative, civil, and criminal sanctions. These sanctions include, but are not limited to, civil fines, administrative hearings, letters of admonition, restricted use, suspensions, surrenders for cause, revocations, and denials.

The Adjusted Type B Compliance Indicator is a “negative” or “inverse” measure that demonstrates DEA’s effectiveness in identifying the diversion of controlled substances and applying sanctions against CSA violators. As more and more diverters are caught, the percent of compliant registrants goes down. In other words, a decline in the Compliance Indicator is indicative of Diversion’s increased vigilance and success against the most prevalent threats (e.g., the diversion of OxyContin[®] and its analogues) and other pervasive violators (e.g., illegitimate online pharmacies).

The DCP has established a goal of 98 percent compliance among its bulk handlers of controlled substances. Institutional knowledge among drug enforcement officials has determined that 100 percent CSA compliance is an unrealistic goal or expectation. Nevertheless, data from FY 2003 through FY 2008 demonstrate that relatively small, temporal fluctuations in the level of CSA compliance can be expected as CSA violators are identified, sanctioned and eventually removed from the registrant population. In FY 2008, Diversion fell short of its target of 98 percent by less than 9.46 percent due to DEA’s intense focus on disrupting and dismantling illegitimate online pharmacies and traffickers of steroids and OxyContin. It reported 88.54 percent compliance among its CSA registrants. While it is anticipated that the compliance percentage will continue to fall short of the established goal as more disruptions and dismantlements are accomplished, DEA expects to ultimately achieve and maintain its goal of 98 percent CSA compliance.

Additional Regulatory and Enforcement Performance Measures

Additional performance measures have been included in the Performance and Resources Table, which are indicative of the overall regulatory and enforcement activities supported by the DCP. These additional measures are:

- Number of Complaint, Criminal, and Scheduled Investigations Worked
- Number of Administrative/Civil Sanctions (Disrupt)
- Number of Administrative/Criminal Sanctions (Dismantle)
- List 1 Chemical Scheduled Investigations for CSA Compliance Initiated as a Percentage of Non-Supervisory Diversion Investigators On-Board
- Percentage of Adjusted Type B Scheduled Investigations for CSA Compliance Initiated
- Number of Registrations Processed per FTE;
- Percent of CSA and CDTA Registrations (Applications and Renewals) Processed Electronically.

Due to the overwhelming number of Type A registrants (compared to Type B registrants), it is important to note that Type A activity contributes the most to the abovementioned performance measures.

Diversions Disruptions and Dismantlements

The DCP operationally defines the disruption and dismantlement of CSA and/or the Chemical Diversion and Trafficking Act of 1988 (CDTA) violators in the following manner:

Disruption - Violators of the CSA and/or CDTA who, after due process, receive Administrative/Civil sanctions. In other words, these violators are temporarily denied access to controlled substances and chemicals. These sanctions may include, but are not limited to: civil fines; administrative hearings; letters of admonition; suspended registrations; and, restricted registrations.

Dismantlement - Violators of the CSA and/or CDTA who, after due process, receive Administrative/Criminal sanctions. In other words, these violators are permanently denied access to controlled substances and chemicals. These sanctions may include, but are not limited to: registrations surrendered for cause; revoked registrations; and, registrations denied.

In FY 2008, Diversion Control reported 649 administrative/civil sanctions (disruptions) which are 27.25% above its FY 2008 target of 510. This outcome supports DEA's readiness to set realistic, yet ambitious programmatic goals. In addition, Diversion Control reported 942 dismantlements which are 29% above its FY 2008 target of 730.

In FY 2009, because Diversion anticipates that it will meet, but not greatly exceed its FY 2008 actuals, it has decided to increase its FY 2009 targets to 520 disruptions and 750 dismantlements. This is due in part to an increased level of confidence and experience in forecasting these data.

It should be noted that as a direct result of DEA's mandate to pursue the assets of traffickers and diverters of controlled substances and levy more serious, permanent administrative/criminal sanctions, the number of dismantlements has dramatically increased. Given the abovementioned mandate, the number of disruptions have also increased, but at a much slower rate. It is anticipated that Diversion will continue to meet its annual targets for both disruptions and dismantlements.

Implementation of the E-Commerce Initiative

DEA is able to track the impact that the E-Commerce Initiative is having on the registration process. Specifically, DEA can track the reduction in the time required to process new applications and renewals. For example, online access to registration and order forms has significantly reduced the amount of processing time for renewals from 6 weeks to 5 days.

In FY 2005, DEA established the following two DCP efficiency measures:

- Number of Registrations Processed per FTE

- Percent of CSA and CDTA Registrations (Applications and Renewals) Processed Electronically

In FY 2008, the DCP reported 50,439 registrations processed per FTE which exceeded its target (15,939). In light of the resultant performance in FY 2008 and in absence of sufficient empirical data to support a more robust methodology for establishing annual targets, the DCP has concluded that the projection of its FY 2008 target may have been underestimated. As a result, the DCP adjusted its targets for FY 2009 and FY 2010 to 50,600 and 53,130 respectively, as it continues to flesh out the potential confounders and evaluate the factors that could be used to develop a more robust methodology for projecting its out-year targets

In FY 2008, 77.9 percent of the DCP's registrations were processed on-line. Given targets of 58 and 80 percent respectively for FY 2008 and FY 2009, it appears that Diversion has been right on point in terms of its ability to adequately forecast and meet the targeted achievement in this area. Moreover, it seems evident that more and more of the registrant population are benefiting from the convenience of on-line registrations, which is encouraging from the stand point of efficiency and cost savings.

b. Strategies to Accomplish Outcomes

DCP's mission is to reduce the illegal use and abuse of pharmaceutical controlled substances and chemicals within the United States, ensure that adequate supplies of pharmaceutical controlled substances and chemicals are available to meet legitimate medical, scientific, and industrial needs, and prevent, detect, and eliminate the diversion of these substances to illicit markets.

To achieve this mission, the OD does the following:

- Identifies and targets those responsible for the diversion of pharmaceutical controlled substances and chemicals through traditional investigative and cyber crime initiatives; and,
- Supports the DEA DCP registrants with improved technology, including the E-Commerce Initiative.

The following strategies outline DEA's plan to achieve these objectives:

1. Investigate and prepare for prosecution, violators of chemical and pharmaceutical controlled substances laws at the international, national, State, and local levels while maintaining cooperation, support, and assistance from the regulated industry.

Enforcement Activities

DEA has historically utilized Tactical Diversion Squads (TDS) since the late 1970s. These TDSs allow for the unification of separate and sometimes disparate Federal, State, and local information, authorities, and enforcement programs. They work with State and local (S&L) law enforcement authorities in developing more effective enforcement programs against diversion. TDSs also help coordinate with various judicial districts to maximize the effectiveness of

multiple investigations and prosecutions of those involved in the diversion of controlled substances and chemicals.

TDSs investigate suspected violations of the CSA and other appropriate Federal or state statutes pertaining to the diversion of licit pharmaceuticals and chemicals. These unique groups combine the resources of DEA (both Special Agents and Diversion Investigators) with S&L law enforcement agencies in an innovative effort to investigate, disrupt and dismantle those individuals or organizations involved in diversion schemes (e.g., “doctor shoppers,” prescriptions forgers, and prevalent retail-level violators). TDSs develop sources of information and disseminate intelligence to appropriate elements for the development of leads and targets. The TDS provides support to DGs and DSs where law enforcement authority (LEO) activities are required (e.g., purchase of evidence/purchase of information, conducting surveillance, conducting undercover operations, making arrests, and executing search/seizure warrants).

The realignment of DCP personnel into the new TDSs will be accomplished in phases over several years. Phase 1 will implement a basic infrastructure utilizing existing position authorizations, personnel and funding in FY 2009. A full implementation of Phase 2 will require additional budget authority and fee collections.

Additional functions of the DCP include:

- Operational support activities essential to the operation of the above priorities including registration and regulatory support, Diversion Investigator recruitment, training, and drug/chemical surveys; and,
- Drug and chemical liaison with international representatives, State and local officials and industry.

Combating Methamphetamine

The production of methamphetamine continues to be a major problem throughout the United States. DEA’s success in eliminating the importation of bulk pseudoephedrine through enforcement efforts such as the Letter of No Objection Program and the issuance of Orders to Show Cause has decreased the number of List I chemical registrants and removed a number of distributors of “grey market” products from the marketplace. Consequently, the number of super labs seized in the U.S. has decreased, and the operators, mostly Mexican nationals, have shifted their production to Mexico. The remaining small toxic labs have begun to rely heavily on obtaining cold and asthma drugs, the requisite precursor List I chemicals, from traditional outlets such as chain drug stores, big box stores and other retail facilities.

In order to thwart increased production of methamphetamine and further deny would-be traffickers’ and diverters’ access to these precursor substances, in March 2006, Congress passed the Combat Methamphetamine Epidemic Act of 2005 (CMEA). CMEA has provided significant tools to enhance law enforcement efforts against the production and distribution of methamphetamine both domestically and internationally.

The retail provisions of the CMEA, which require regulated sellers of over-the-counter medications containing pseudoephedrine, ephedrine, and phenylpropanolamine to complete a required training and self-certification process, went into effect across the United States on September 30, 2006.

Retail outlets are now required to keep all non-prescription products containing pseudoephedrine, ephedrine, and phenylpropanolamine behind the counter or in a locked cabinet, and consumers are required to show proper identification and sign a logbook for each purchase. The logbook contains the customer's name, address, date and time of sale, name and quantity of the product sold, and the purchaser's signature. The Act also implements daily sales limits and monthly purchase limits of these products.

In December 2007, DEA published its 2007 and 2008 Assessment of Annual Needs for the List I chemicals ephedrine, pseudoephedrine, and phenylpropanolamine in accordance with CMEA. This first-time assessment established the annual quantities of these chemicals which may be manufactured domestically or imported to provide adequate supplies for legitimate medical and other needs. Additional CMEA rules finalized in 2007 regulate importation/exportation, eliminate the exemptions of chemical mixtures containing these chemicals, and establish import and production quotas for individual companies.

Internet Investigations

The Internet is rapidly becoming a more popular source for the sale and distribution of pharmaceuticals and chemicals. Many legitimate online pharmacies make it easier and more convenient for consumers to obtain the pharmaceutical controlled substances they need. However, by using the Internet, violators are able to purchase pharmaceuticals without a valid prescription and chemicals without the appropriate DEA documentation. They may even bypass the safeguards to protect consumers against the harmful use of controlled substances and obtain drugs that are not legal in the United States. This undermines the safety and health of the consumer and increases the potential for diversion of pharmaceutical controlled substances.

DEA is using industry-based Internet search and analysis solutions to search for and identify the Internet pharmaceutical trafficking groups. Between July 1 and September 30, 2008, nine (9) detailed products were generated. Since March 2007, a total of eighty-one (81) products have been generated and fifty-six (56) have been disseminated to DEA field offices for investigative action. Based upon the fifty-six (56) products sent to the field, eleven (11) new investigations have been initiated, or are pending case initiation. Various other products have provided added value investigative data to ongoing field cases and have assisted in analyzing industry trends.

Deployments

DEA has an ongoing program of deploying investigative teams to the field on an as-needed basis to dismantle DEA-registered pharmacies that have been identified as illegally selling controlled pharmaceuticals over the Internet. As a result of one deployment, Operation Lightning Strike, ten illegal Internet pharmacies and two physicians were shut down, removing 57,462,916 dosage units of hydrocodone distribution.

Ryan Haight Online Pharmacy Consumer Protection Act of 2008

DEA is optimistic that the passage of the Ryan Haight Online Pharmacy Consumer Protection Act of 2008 will address many of the problems of online prescription drug trafficking, abuse, and availability. The Ryan Haight Act was signed into law in October 2008 DEA has issued an interim final rule effective April 13, 2009 to implement this legislation and is requesting comments on the interim rule. This landmark piece of legislation will bring rogue pharmacy operators out of the shadows by establishing a clear standard for legitimate online pharmaceutical sales. The legislation will allow customers to know they are doing business with a trusted, legitimate pharmacy, and give law enforcement the necessary tools to identify illegitimate online pharmacies. Rather than try to block all online pharmaceutical sales, the Ryan Haight Act will put online pharmaceutical sales on an equal regulatory footing with those sales through a brick-and-mortar facility. The act requires an endorsement of an existing DEA registration to allow established pharmacies to sell controlled substances online. This means law enforcement will be able to carefully scrutinize all applications for such registration and be able to easily separate legitimate and illegitimate Internet operations. DEA will track and identify any new diversion trends in order to address attempts by individuals and organizations to circumvent the law and sell controlled pharmaceuticals over the Internet.

Diversion of List I Chemicals

The Synthetic Drugs and Chemicals Section within the Office of Diversion Control has initiated and actively participated in several ongoing, multi-national operations to prevent, detect, and eliminate the diversion of chemicals and other precursor substances across global markets. On the domestic front, the Synthetic Drugs and Chemicals Section has liaison and outreach programs with the chemical industry to improve cooperation and compliance with new and ongoing initiatives implemented to reduce the amount of diversion.

The availability of List I chemicals on the Internet has provided chemical traffickers an almost unlimited supply of chemicals necessary to manufacture illicit substances. The Internet availability of both regulated and non-regulated chemicals creates a challenge for law enforcement and the DCP. In order to meet this challenge, the Synthetic Drugs and Chemicals Section needs to coordinate its efforts in conjunction with Special Operations Division (SOD) and field components to target these Internet sites. With new technically advanced tools for internet investigations and the Automation of Reports and Consolidated Orders System (ARCOS), OD has greatly improved its ability to detect, investigate, and apprehend CSA and CDTA violators.

The DCP plans to focus its deployment of Diversion Investigator positions to domestic field offices in areas experiencing dramatic increases in clandestine methamphetamine production. Diversion Investigators are uniquely qualified to assess production capabilities, assess chemical trafficking patterns, and develop leads on individuals and businesses engaged in the diversion of chemical precursors.

Internationally, the DCP, and in particular the Synthetic Drugs and Chemicals Section, needs to remain engaged as a task force member on both of the International Narcotics Control Board's (INCB) Project Prism Task Force and Project Cohesion Task Force. In that capacity, the DCP will continue to participate in a multinational forum of precursor chemical intelligence sharing operations. These operations overlay the already established international convention of Pre-Export Notifications (PENs) for shipments of Table 1 precursor chemicals listed by the United Nations. The DCP is actively promoting the idea, internationally and bilaterally, that PENs need to be applied to shipments of pharmaceutical preparations containing ephedrine and pseudoephedrine, as well.

At the same time, the DCP is working to increase its efforts to conduct and improve overseas liaison by providing international chemical control training to foreign law enforcement officials. The resultant training has enabled our foreign counterparts to improve their ability to detect and identify clandestine shipments of banned chemical imports, thereby denying source country traffickers the requisite precursors and reagents necessary to refine and produce illegal drugs.

2. Enforce the provisions of the CSA as they pertain to import/export, manufacture, distribution and dispensing of legally produced controlled pharmaceuticals and chemicals by creating a strong deterrence against the diversion of these substances through the development and implementation of new technologies (e.g., cyber crime initiatives) that will allow for the rapid and effective detection of potential diversion via the Internet.

Regulatory Control

To enhance the DCP, DEA will establish groups dedicated to performing the regulatory and compliance aspects of the Program. It is DEA's goal to increase the frequency of scheduled investigations and improve its regulatory oversight to include previously excluded registrant groups. Therefore, DEA will request additional positions for these groups in FY 2010 and beyond. This renewed focus on regulatory control will enable DEA to be in position to ensure that the CSA registrants are complying with the Controlled Substances regulations. The following is a sample of the revised schedule for regulatory investigations, which will be accomplished through a phased implementation as resources allow:

- **Drug** (Manufacturer, Bulk Manufacturer, Distributor, Importer/Exporter, Bulk Importer) – from every 5 years to every 3 years
- **Chemical** (Manufacturer, Bulk Manufacturer, Distributor, Importer/Exporter, Bulk Importer) – from every 3 years to every 2 years
- **Office Based Opioid Treatment/Buprenorphine Physicians** – from 1 per group per year to all every 5 years
- **Researcher, Analytical Lab, Teaching Institution** – from not applicable to all every 5 years

The Diversion Group (DG)/Diversion Staff (DS) carry out the DCP's regulatory control program within their area of responsibility. They conduct pre-registration, scheduled, and complaint investigations consistent with the CSA and its implementing regulations. They also work with state and local counterparts pertaining to the diversion of licit pharmaceuticals and

chemicals. They are primarily responsible for the prevention of diversion through regulatory compliance and controls which may include administrative, civil or criminal action against a registrant.

Prescription Drug Monitoring Programs (PDMPs)

PDMPs are state operated systems utilized to oversee the prescribing and dispensing of controlled substances. State PDMPs collect prescription information electronically from pharmacies and analyze it. This data is then provided to State agencies to assist in the identification of “doctor shoppers” and over-prescribers, which can result in effective investigations. In addition to law enforcement and regulatory activities, the information collected and analyzed by a State PDMP may be utilized to assist in identifying patients whose drug usage is increasing and who may benefit from a referral to a specialist or to substance abuse treatment; to assist prescribers in making appropriate treatment decisions for their patients; and to assist pharmacists in providing pharmaceutical care.

Federal funding is available through the Bureau of Justice Assistance (BJA). DEA assists BJA in reviewing annual grant applications for the Harold Rogers program. A total of \$7.05 million was appropriated in fiscal year 2008 for this effort. As of February 2009, 38 states had enacted legislation that required prescription drug monitoring programs: 31 of those programs are currently operating and 6 are in the start-up phase. Washington State suspended its program in December 2008 due to budget cuts.

DEA’s goal is to work with all interested parties to identify the best means available to facilitate the establishment or enhancement of PDMPs to ensure that prescription data pertaining to controlled substances is collected from the largest possible segment of pharmacies and other dispensers in the most cost-effective manner while assuring patients and their healthcare providers that these programs do not negatively impact the legitimate practice of medicine and that the confidentiality of collected data will be protected.

A concerted effort is being made by the Integrating Justice Information Systems (IJIS) Institute, in cooperation with State agencies and the DEA, to develop a technological solution that will facilitate information sharing between State PDMPs. The data elements currently collected by State PDMPs would have to be standardized and federal legislation would have to be implemented to authorize a national PDMP. Data integration, data analysis, and the tracking of results would be very challenging on a national level due to the volume of data collected and the limited resources available on a national level for investigations and educational outreach programs. The legal and logistical complexities of implementing a national PDMP database make such an effort prohibitive in the near future. To facilitate information sharing between State PDMPs, the National Alliance of Model State Drug Laws worked with several States and the DEA to develop a *Model Interstate Agreement* for the Sharing of Information among State PDMPs.

The Department of Justice is actively promoting PDMPs that help prevent and detect the diversion and abuse of pharmaceutical controlled substances, particularly at the retail level where no other mandated automated information collection system exists.

Distributor Initiative

OD has begun an Internet Distributor Initiative to educate registered distributors of controlled substances and focus on those who are distributing to pharmacies that are filling invalid Internet prescription. As part of this initiative, DEA has created a presentation explaining the laws, regulations, and DEA policies for the wholesalers. This presentation provides wholesalers some examples of domestic Internet pharmacies, their purchase patterns, and methods of operation. The presentation is designed to emphasize to wholesalers the need to immediately stop selling where large scale diversion appears to be occurring or face the loss of their DEA registration and judicial sanctions.

From August 2005 through September 2008, DEA briefed 33 corporations, with over 139 distribution sites, concerning illegal Internet pharmacy operations. As a result, some distributors have voluntarily stopped selling or voluntarily restricted sales of controlled substances to suspicious domestic pharmacies.

When educational efforts do not yield the desired results of cutting the supply lines to these illicit operations, DEA will implement administrative, civil, or criminal sanctions against the registrant. On April 30, 2008, a Settlement Agreement in the amount of \$13,250,000 was entered into by the United States Department of Justice and the McKesson Corporation. McKesson agreed to settle allegations that they violated federal reporting provisions relating to the sale of controlled substances to illicit Internet pharmacies. A settlement of \$35 million was entered into with Cardinal Health in October 2008, the largest in DEA history.

Automated Reports and Consolidated Order System (ARCOS)

DEA is using the ARCOS to identify high volume purchasers of narcotic controlled substances as an aid in determining which retail pharmacies and practitioners are most likely involved in the illicit distribution of controlled substances over the Internet. The volume of controlled substances being diverted by a single rogue pharmacy dispensing via the Internet poses a major threat.

Industry Outreach

DEA's close cooperative relationships with key industry leaders have reduced the availability of essential Internet-access, express shipping, and financial services to online pharmaceutical trafficking organizations. DEA has worked to raise awareness of the growing problem of pharmaceutical diversion via the Internet; promote voluntary efforts to restrict legitimate business services from being used by illicit Internet controlled pharmaceutical traffickers; and identify potential sources of data maintained by businesses that may aid in targeting enforcement efforts against the largest Internet pharmaceutical drug trafficking organizations. DEA provided training to approximately 150 fraud investigators and established a systematic information sharing process with Pay Pal for websites illicitly selling controlled pharmaceuticals. Similar training was provided to over 75 FedEx security managers. This training is ongoing.

DEA has worked with Internet search engines such as Google, AOL, and Yahoo to create links to DEA's Diversion Website. These links are designed to appear when consumers attempt to buy controlled substances online without the requisite medical exams and prescriptions. From 2005 to 2007, these links appeared more than 79.7 million times. DEA's outreach to Google, Yahoo, and AOL has secured significant commitments by these companies to DEA's public service announcement campaign and has laid the groundwork for the sharing of spam-based investigative leads.

3. Coordinate E-Commerce Initiative with other Federal, State and local law enforcement and regulatory agencies, as well as developing and implementing a fully-integrated, IT architecture necessary for external E-Commerce application, which requires interaction with or standards for regulated industries.

Through the Electronic Commerce (E-Commerce) Initiative, OD is providing alternative information technologies to improve its efficiency and responsiveness to the public. Working with over one million legitimate handlers of controlled substances and chemicals, the DCP initiatives, such as the Controlled Substances Ordering System (CSOS), improve timeliness and accuracy as well as offer a higher degree of security and integrity by replacing manual paper versions of required documents to transfer licit drugs. Furthermore, in support of the DCP's mission to ensure an adequate and uninterrupted supply of controlled substances to meet legitimate medical and scientific needs, the DCP is working to develop regulations that implement performance standards to permit the electronic transmission of controlled substance prescriptions. This voluntary system, known as Electronic Prescriptions for Controlled Substances (EPCS), would serve as an electronic alternative to paper prescriptions and allow DEA registrants to satisfy the legal requirements for prescriptions and reduce the potential for prescription errors, forgery, and theft.

Other DEA reengineering and modernization efforts include:

- Enhancing IT systems to link the current, established call center with an Oracle CSA database that will interface with an Interactive Voice Response telephone system. CSA application forms received electronically will eliminate manual data entry, thus reducing data entry error rates, enabling support staff to provide more timely registration and re-registration, allowing for more expedient action on routine application processing, and providing a monitoring and training system to ensure the optimum in customer service to the registrant community. These efforts are ongoing.
- Ongoing effort to enhance ARCOS and the CSA Program. This will allow DEA to modernize the registration system, provide registrants with the ability to report mandated information through electronic data interchange, maintain the DCP website, which is a major conduit for information to the regulated communities, develop and enhance a network with State and local regulatory and enforcement counterparts, and establish a data warehouse of all diversion information for use by field investigators.

4. Ensure adequate and uninterrupted supply of controlled substances and chemicals to meet legitimate medical, scientific and industrial needs without creating an oversupply.

Establishing quotas and monitoring imports of narcotic raw materials are critical to ensuring an adequate and uninterrupted supply of legitimate medicines containing controlled substances without creating an oversupply. Quotas and imports are based on information provided by industry (e.g. import permits and declarations, sales, distributions, inventory, manufacturing schedules, losses, and product development needs) and corroborated by consumption of these substances (e.g. prescriptions, distributions to retail levels, and input from the Federal Drug Administration (FDA) on new products and indications). Quota and import estimates for individual substances can either go up or down in a given year, depending on any number of factors.

Moreover, Diversion Control continues to provide scientific and technical support in the following manner:

- Compiling, analyzing and reporting specific information on the production, distribution, consumption, and estimated needs of all narcotics, psychotropic substances, chemicals and their preparations;
- Providing general scientific guidance and support to DEA, State and local agencies and international organizations regarding drug and chemical control issues and the biological sciences;
- Examining all CI research protocols;
- Serving as or identifying appropriate expert witnesses in criminal, administrative and other proceedings;
- Identifying information needs, initiating actions/studies, and alerting enforcement and public health entities on newly identified patterns of use/abuse on controversial substances like Anabolic Steroids in conjunction with the National Institute on Drug Abuse (NIDA) and the National Forensic Laboratory Information System (NFLIS – the NFLIS database contains over 5 million entries and also including STRIDE data from the DEA lab system); and,
- Preparing periodic reports mandated by treaties.

This page intentionally left blank

4. Program Increases

Item Name: **Diversion Control Forensic Support**

Budget Decision Unit: Diversion Control Fee Account

Strategic Goal & Objective: Goal II, Objective 2.4

Organizational Program: Diversion Control Program

Program Increase: Positions 11 Agt/Atty 0 FTE 6 Dollars \$2,706,000

Description of Item

DEA is requesting \$2,706,000 for 11 additional chemists to support the Diversion Control Program. These additional 11 chemists will be placed throughout the DEA Laboratory system.

Justification

The mission of DEA's Diversion Control Program is to prevent, detect and investigate the diversion of pharmaceutical controlled substances and listed chemicals from legitimate channels while ensuring an adequate and uninterrupted supply of pharmaceutical controlled substances and listed chemicals to meet legitimate medical, commercial and scientific needs.

One component of Diversion Control operations is the prevention of diversion through pre-registration, scheduled, and complaint investigations. Diversion Investigators serve as the primary investigative entity conducting these types of investigations. Another component of Diversion Control operations is diversion enforcement activities such as the purchase of evidence and information, conducting surveillance, executing a search warrant, arrest powers, required resources with law enforcement authority. These law enforcement resources are needed to support all diversion investigations; however, primarily focus at the retail level (pharmacies and physicians). DEA is working to fulfill both the regulatory and law enforcement aspects of the Diversion Control Program. To support the increase in criminal investigations, DEA added 161 Special Agent positions and 73 Intelligence Analyst positions to the Diversion Control Program between FY 2006 and FY 2009. DEA has determined that Tactical Diversion Squads (TDS) which combine Special Agents, Diversion Investigators and State and Local Task Force Officers will best meet this need. DEA is currently using existing SA and DI positions to organize TDSs in each domestic field division. The Diversion Control Program also includes a variety of positions, including chemists, which provide support to the Special Agents and Diversion Investigators conduction diversion investigations.

DEA currently has eight chemist positions funded by the Diversion Control Fee Account. Four of these Chemists are assigned to the Drug and Chemical Evaluations Section (ODE) at Headquarters. Chemists within ODE are responsible for conducting evaluations of all aspects of drug control including the development of methodologies to predict and confirm the abuse potential of substances and combinations of substances. The results of these studies are used to

recommend scheduling and rescheduling of controlled substances and the regulation of essential chemicals and precursors. The other four chemists are stationed at DEA laboratories to analyze drug evidence submitted during diversion investigations. FY 2008 chemist work hour data shows that DEA utilized all 4 headquarters chemists plus 15 chemist FTE for the analysis of diversion related exhibits in DEA labs, which exceeds the current number of chemist positions by 11. DEA requires 11 additional chemists to analyze exhibits submitted during diversion investigations. With the deployment of TDSs, this workload is expected remain at a similar level, and may potentially increase as more drug evidence is collected by these TDSs.

Impact on Performance (Relationship of Increase to Strategic Goals)

The DOJ Office of Inspector General (OIG) 2006 report stated that the DCP must incorporate law enforcement support to assist the program in performing inherently law enforcement activities. Due to the denial of a hybrid work force to satisfy this requirement, the DCP increased its Special Agent authorization. The establishment of TDSs to formalize this law enforcement support and gain state and local cooperation is underway. As the Diversion Control Program receives more law enforcement support, chemist work hours will continue to grow. Without additional chemist positions, DEA will have to pull chemists away from drug exhibits of non-diversion cases to analyze the diversion exhibits.

DEA is required to fund the full cost of the Diversion Control Program with the Diversion Control Fee Account.²² A February 2008 DOJ OIG review of DEA's use of the fee account concluded that DEA was not fully funding all diversion control salary costs with the fee account. The OIG report identified 9 chemist FTE in FY 2006 and 3 chemist FTE in FY 2007 that should have been charged to the fee account, but were not. The 11 chemists requested in FY 2010 will allow DEA to meet the forensic analysis workload requirements for the program and ensure that these costs are paid by the fee account.

²² 21 U.S.C. § 886a(1)(C).

Funding

Base Funding

FY 2008 Enacted				FY 2009 Requirements				FY 2010 Current Services			
Pos	agt	FTE	\$(000)	Pos	agt	FTE	\$(000)	Pos	agt	FTE	\$(000)
8	0	8	\$1,693	8	0	8	\$1,789	8	0	8	\$1,875

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2010 Request (\$000)	FY 2011 Net Annualization (change from 2010) (\$000)
Chemist	246	11	\$2,706	-\$893
Total Personnel		11	\$2,706	-\$893

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost (\$000)	Quantity	FY 2010 Request (\$000)	FY 2011 Net Annualization (Change from 2010) (\$000)
Total Non-Personnel	\$0	0	\$0	\$0

Total Request for this Item

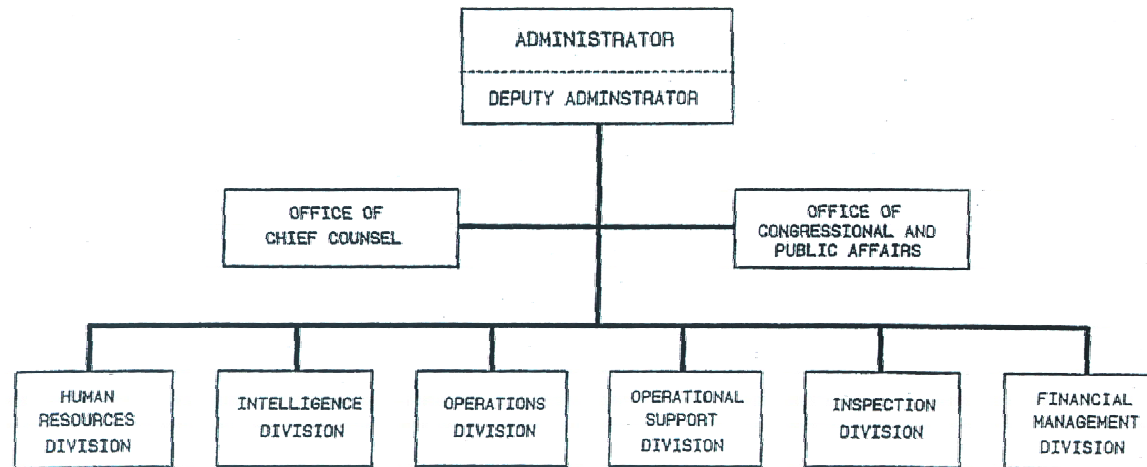
	Pos	Agt/Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)
Current Services	8	0	8	\$1,875	\$0	\$1,875
Increases	11	0	6	\$2,706	\$0	\$2,706
Grand Total	19	0	14	\$4,581	\$0	\$4,581

This page intentionally left blank

VI. Exhibits

A. Organizational Chart

DRUG ENFORCEMENT ADMINISTRATION



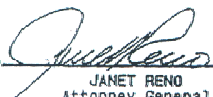
Approved  Date 5/23/95
JANET RENO
Attorney General

Exhibit A

This page intentionally left blank

B. Summary of Requirements

Summary of Requirements Drug Enforcement Administration Salaries and Expenses (Dollars in Thousands)

	FY 2010 Request		
	Perm. Pos.	FTE	Amount
FY 2008 Enacted (with Rescissions, direct only)	8,151	8,060	1,857,569
FY 2008 Supplementals			29,861
Total 2008 Revised Continuing Appropriations Resolution (with Rescissions)	8,151	8,060	1,887,430
FY 2009 Enacted (with Rescissions, direct only)	8,235	8,109	1,939,084
FY 2009 Supplementals			91,595
Total FY 2009 Enacted (with Rescissions and Supplementals)	8,235	8,109	2,030,679
Adjustments to Base			
Increases:			
2010 pay raise (2%)			14,095
2009 pay raise annualization (3.9%)			9,355
Annualization of 2009 positions		42	1,196
Annualization of 2008 positions			588
Retirement			996
Health Insurance			777
Employees Compensation Fund			305
GSA Rent			6,627
DHS Security			529
Postage			79
Security Investigations			250
Government Printing Office (GPO)			11
WCF Rate Increase			422
ICASS			2,764
Capital Security Cost Sharing (CSCS)			1,902
Government Leased Quarters (GLQ)			707
Living Quarter Allowance (LQA)			330
Post Allowance Cost of Living Adjustment			183
Education Allowance			545
Subtotal Increases	-	42	41,661
Decreases:			
FY 2009 DFAS Non-Recur			(138)
Subtotal Decreases	-	-	(138)
Total Adjustments to Base	-	42	41,523
FY 2009 Current Services	8,235	8,151	1,980,607
Program Changes			
Increases			
Southwest Border Enforcement	128	64	24,075
Continuing Counter-Terrorism Investments	15	15	10,000
Subtotal Increases	143	79	34,075
Offsets	-	-	-
Total Program Changes	143	79	34,075
FY 2010 Total Request	8,378	8,230	\$2,014,682
FY 2009 - FY 2010 Total Change	143	121	75,598

Exhibit B

B. Summary of Requirements

Estimates by budget activity	2008 Appropriation Enacted w/Rescissions and Supplementals			2009 Enacted			FY 2010 Adjustments to Base and Technical Adjustments			FY 2010 Current Services			FY 2010 Increases			FY 2010 Offsets			FY 2010 Request		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
International Enforcement	1,036	992	\$384,684	1,059	1,003	\$388,416	-	12	\$11,861	1,059	1,015	\$400,277	15	15	\$10,000	-	-	\$0	1,074	1,030	\$410,277
Domestic Enforcement	7,087	7,042	1,496,373	7,148	7,080	1,544,160	-	30	29,556	7,148	7,110	1,573,716	128	64	24,075	-	-	-	7,276	7,174	1,597,791
State and Local Assistance	28	26	6,373	28	26	6,508	-	-	106	28	26	6,614	-	-	-	-	-	-	28	26	6,614
Total	8,151	8,060	\$1,887,430	8,235	8,109	\$1,939,084	-	42	\$41,523	8,235	8,151	\$1,980,607	143	79	\$34,075	-	-	\$ -	8,378	8,230	\$2,014,682
Reimbursable FTE		1,436			1,361			-			1,361			-			-				1,361
Total FTE		9,496			9,470			42			9,512			79			-				9,591
Other FTE:																					
LEAP		996			1,004			8			1,012			11			-				1,023
Overtime		61			61			1			62			-			-				62
Total Comp. FTE		10,553			10,535			51			10,586			90			-				10,676

Exhibit B

B. Summary of Requirements

Summary of Requirements Drug Enforcement Administration Diversion Control Fee Account (Dollars in Thousands)

	FY 2010 Request		
	Perm. Pos.	FTE	Amount
FY 2008 Enacted (with Rescissions, direct only)	1,187	1,176	239,249
FY 2009 Enacted (with Rescissions, direct only)	1,188	1,184	244,450
Adjustments to Base			
Increases:			
2010 pay raise			1,744
2009 pay raise annualization			1,037
Annualization of 2008 positions		-	333
Retirement		-	92
Health Insurance		-	110
Employees Compensation Fund		-	47
Rental payments to GSA		-	1,154
DHS Security		-	32
Postage		-	33
Security Investigations		-	43
Printing and Production		-	8
ICASS		-	56
Government Leased Quarters (GLQ)		-	14
Living Quarters Allowance (LQA)		-	7
Education Allowance		-	11
Post Allowance Cost of Living Adjustment		-	4
Subtotal Increases	-	-	4,725
Decreases:			
Annualization of 2009 positions			(91)
Subtotal Decreases	-	-	(91)
Total Adjustments to Base	-	-	4,634
FY 2009 Current Services	1,188	1,184	249,084
Program Changes			
Increases			
Diversion Control Regulatory & Enforcement	11	6	2,706
Subtotal Increases	11	6	2,706
Offsets	-	-	-
Total Program Changes	11	6	2,706
FY 2010 Total Request	1,199	1,190	\$251,790
FY 2009 - FY 2010 Total Change	11	6	7,340

Exhibit B

B. Summary of Requirements

	2008 Appropriation Enacted w/Rescissions and Supplementals			2009 Enacted			FY 2010 Adjustments to Base and Technical Adjustments			FY 2010 Current Services			FY 2010 Increases			FY 2010 Offsets			FY 2010 Request			
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	
Estimates by budget activity																						
Diversion Control Regulatory & Enforcement	1,187	1,176	\$239,249	1,188	1,184	\$244,450	-	-	\$4,634	1,188	1,184	\$249,084	11	6	\$2,706	-	-	\$-	-	1,199	1,190	\$251,790
Total	1,187	1,176	\$239,249	1,188	1,184	\$244,450	-	-	\$4,634	1,188	1,184	\$249,084	11	6	\$2,706	-	-	\$-	-	1,199	1,190	\$251,790
Reimbursable FTE																						
Total FTE		1,176			1,184			-		1,184				6			-				1,190	
Other FTE:																						
LEAP		45			45			-		45				-			-				45	
Overtime		15			15			-		15				-			-				15	
Total Comp. FTE		1,236			1,244			-		1,244				6			-				1,250	

Exhibit B

C. Program Increases by Decision Unit

FY 2010 Program Increases/Offsets By Decision Unit
Drug Enforcement Administration
(Dollars in Thousands)

Program Increases	Location of Description by Decision Unit	Domestic (D)				International (F)				State and Local Assistance (S)				Diversion Control Fee Account				Total Increases
		Pos.	Agt.	FTE	Amount	Pos.	Agt.	FTE	Amount	Pos.	Agt.	FTE	Amount	Pos.	Agt.	FTE	Amount	
Continuing Counter-Terrorism Investments	International	-	-	-	-	15	9	15	10,000	-	-	-	-	-	-	-	-	10,000
Southwest Border Enforcement	Domestic	128	70	64	24,075	-	-	-	-	-	-	-	-	-	-	-	-	24,075
Diversion Control Forensic Support	Diversion Control Fee Account	-	-	-	-	-	-	-	-	-	-	-	-	11	-	6	2,706	2,706
Total Program Increases		128	70	64	\$24,075	15	9	15	\$10,000	-	-	-	\$ -	11	-	6	\$2,706	\$36,781
Program Offsets	Location of Description by Decision Unit	Domestic (D)				International (F)				State and Local Assistance (S)				Diversion Control Fee Account				Total Offsets
		Pos.	Agt./Atty.	FTE	Amount	Pos.	Agt./Atty.	FTE	Amount	Pos.	Agt./Atty.	FTE	Amount	Pos.	Agt./Atty.	FTE	Amount	
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Offsets		-	-	-	\$ -	-	-	-	\$ -	-	-	-	\$ -	-	-	-	\$ -	\$ -

This page intentionally left blank

D. Resources by DOJ Strategic Goal/Objective

Resources by DOJ Strategic Goal/Objective
Drug Enforcement Administration
(Dollars in Thousands)

Strategic Goal/Objective	FY 2008 Enacted w/Rescissions and Supplementals		FY 2009 Enacted		FY 2010 Current Services		FY 2010				FY 2010 Request	
	Direct and Reimb FTE	Direct Amount \$000s	Direct and Reimb FTE	Direct Amount \$000s	Direct and Reimb FTE	Direct Amount \$000s	Increases		Offsets		Direct and Reimb FTE	Direct Amount \$000s
							Direct and Reimb FTE	Direct Amount \$000s	Direct and Reimb FTE	Direct Amount \$000s		
Goal 1: Prevent Terrorism and Promote the Nation's Security												
1.2 Salaries and Expenses Account	189	\$ 79,389	190	\$ 57,568	190	\$ 57,624	-	\$ 8,879	-	\$ -	190	\$ 66,503
Subtotal, Goal 1	189	\$ 79,389	190	\$ 57,568	190	\$ 57,624	-	\$ 8,879	-	\$ -	190	\$ 66,503
Goal 2: Enforce Federal Laws and Represent the Rights and Interests of the American People												
2.4 Salaries and Expenses Account (with Reimbursable FTE)	9,307	\$ 1,808,041	9,280	\$ 1,881,516	9,322	\$ 1,922,983	80	\$ 25,196	-	\$ -	9,401	\$ 1,948,179
2.4 Diversion Control Fee Account	1,176	239,249	1,184	244,450	1,184	249,084	6	2,706	-	-	1,190	251,790
Subtotal, Goal 2	10,483	\$2,047,290	10,464	\$2,125,966	10,506	\$2,172,067	86	\$27,902	-	\$ -	10,591	\$2,199,969
GRAND TOTAL	10,672	\$2,126,679	10,654	\$2,183,534	10,696	\$2,229,691	86	\$36,781	-	\$ -	10,781	\$2,266,472

This page intentionally left blank

E. Justification for Base Adjustments

Justification for Base Adjustments Drug Enforcement Administration Salaries and Expenses

Increases

2010 pay raise: This request provides for a proposed 2.0 percent pay raise to be effective in January of 2010 (This percentage is likely to change as the budget formulation process progresses.) This increase includes locality pay adjustments as well as the general pay raise. The amount requested, **\$14,095,000**, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (**\$10,404,000** for pay and **\$3,691,000** for benefits).

Annualization of 2009 pay raise: This pay annualization represents first quarter amounts (October through December) of the 2009 pay increase of 3.9 percent included in the 2009 President's Budget. The amount requested **\$9,355,000**, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (**\$ 6,906,000** for pay and **\$2,449,000** for benefits).

Annualization of additional positions approved in 2008 and 2009: This provides for the annualization of **14** additional positions appropriated in 2008 and **84** additional positions requested in the 2009 Omnibus. Annualization of new positions extends to 3 years to provide for entry level funding in the first year with a 2-year progression to the journeyman level. For 2008 increases, this request includes an increase of **\$588,000** for full-year payroll costs associated with these additional positions. For 2009, this request includes an increase of **\$1,196,000** for full-year costs associated with these additional positions.

E. Justification for Base Adjustments

	2008 Increases (\$000)	Annualization Required for 2010 (\$000)	2009 Increases (\$000)	Annualization Required for 2010 (\$000)
Annual salary rate of new positions	648	454	3536	3680
Less lapse (50 %)	324		1768	
Net Compensation	324	454	1768	3680
Associated employee benefits	98	134	895	1860
Travel	5	-	4	254
Transportation of Things	17	-	119	261
Communications/Utilities	29	-	152	800
Printing/Reproduction	1	-	-	2
Other Contractual Services:	-	-	-	-
25.2 Other Services	200	-	467	-389
25.3 Purchase of Goods and Services from Government Accts.	83	-	166	-23
25.4 Operation and Maintenance of Facilities	-	-	-	-
25.6 Medical Care	3	-	158	-180
Supplies and Materials	30	-	281	-8
Equipment	742	-	4487	-5061
TOTAL COSTS SUBJECT TO ANNUALIZATION	\$ 1,532	\$ 588	\$ 8,497	\$ 1,196

Retirement: Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on OPM government-wide estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 3 percent per year. The requested increase of **\$996,000** is necessary to meet our increased retirement obligations as a result of this conversion.

Employees Compensation Fund: The **\$305,000** increase reflects payments to the Department of Labor for injury benefits paid in the past year under the Federal Employee Compensation Act. This estimate is based on the first quarter of prior year billing and current year estimates.

Health Insurance: Effect January 2008, this component's contribution to Federal employees' health insurance premiums increase by **1.8 percent**. Applied against the 2009 estimate of **\$43,553,000** the additional amount required is **\$777,000**.

Exhibit E

E. Justification for Base Adjustments

General Services Administration (GSA) Rent: GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of **\$6,627,000** is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective in FY 2010 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provided data on the rate increases.

DHS Security Charges: The Department of Homeland Security (DHS) will continue to charge Basic Security and Building Specific Security. The requested increase of **\$529,000** is required to meet our commitment to DHS, and cost estimates were developed by DHS.

Postage: Effective May 11, 2009, the Postage Service implemented a rate increase of 2.5 percent. This percentage was applied to the 2010 estimate of **\$3,174,000** to arrive at an increase of **\$79,000**.

Security Investigations: The **\$250,000** increase reflects payments to the Office of Personnel Management for security reinvestigations for employees requiring security clearances.

Government Printing Office (GPO): GPO provides an estimate rate increase of 2.0%. This percentage was applied to the FY 2009 estimate of **\$542,000** to arrive at an increase of **\$11,000**.

WCF Rate Increases: Components in the DC metropolitan area use and rely on the Department's Working Capital Fund (WCF) for support services including telecommunications services, computer services, finance services, as well as internet services. The WCF continues to invest in the infrastructure supporting the telecommunications services, computer services, internet services. Concurrently, several security initiatives are being implemented and additional resources are being directed to financial management in an effort to maintain a clean audit status. Funding of **\$422,000** is required for this account.

International Cooperative Administrative Support Services (ICASS): Under the ICASS, an annual charge is made by the Department of State for administrative support based on the overseas staff of each federal agency. This request is based on the initial **\$2,764,000** billing for post invoices and other ICASS costs.

Overseas Capital Security Cost Sharing (CSCS): The Department of State is in the midst of a 14-year, \$17.5 billion embassy construction program, with a plan to build approximately 150 new diplomatic and consular compounds. State has proposed that costs be allocated through a Capital Security Cost Sharing Program in which each agency will contribute funding based on the number of positions that are authorized for overseas personnel. The total agency cost will be phased in over 5 years. The Drug Enforcement Administration (DEA) currently has 781 positions overseas, and funding of **\$1,902,000** is requested for this account.

Government Leased Quarters (GLQ) Requirement: GLQ is a mandatory program managed by the Department of State (DOS) and provides government employees stationed overseas with housing and utilities. DOS exercises authority for leases and control of the GLQs and negotiates the lease for components. **\$707,000**, reflects the change in cost to support existing staffing levels.

Exhibit E

E. Justification for Base Adjustments

Living Quarter Allowance: The living quarters allowance (LQA) is an allowance granted an employee for the annual cost of adequate living quarters for the employee and the employee's family at a foreign post. The rates are designed to cover the average costs of rent, heat, light, fuel, gas, electricity, water, local taxes, and insurance paid by the employee. Employees who receive GLQ do not receive LQA and vice versa. **\$330,000**, reflects the change in cost to support existing staffing levels.

Post Allowance - Cost of Living Allowance (COLA): For employees stationed abroad, components are obligated to pay for their COLA. COLA is intended to reimburse certain excess costs and to compensate the employee for serving at a post where the cost of living, excluding the cost of quarters and the cost of education for eligible family members, is substantially higher than in the Washington, D.C. area. **\$183,000**, reflects the increase in cost to support existing staffing levels.

Education Allowance : For employees stationed abroad, components are obligated to meet the educational expenses incurred by an employee in providing adequate elementary (grades K-8) and secondary (grades 9-12) education for dependent children at post. **\$545,000**, reflects the change in cost to support existing staffing levels.

Non-Personnel Funding Requested in 2009: **-\$138,000** is the non-recur amount of the non-personnel funding requested in the Drug Flow Attack initiatives included in the FY 2009 Enacted Appropriation.

E. Justification for Base Adjustments

Justification for Base Adjustments Drug Enforcement Administration Diversion Control Fee Account

Increases

2010 pay raise: This request provides for a proposed 2.0 percent pay raise to be effective in January of 2010. This increase includes locality pay adjustments as well as the general pay raise. The amount requested, **\$1,744,000**, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (**\$1,314,000** for pay and **\$430,000** for benefits).

Annualization of 2009 pay raise: This pay annualization represents first quarter amounts (October through December) of the 2009 pay increase of 3.9 percent included in the 2009 President's Budget. The amount requested **\$1,037,000**, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (**\$781,000** for pay and **\$256,000** for benefits).

E. Justification for Base Adjustments

Annualization of additional positions approved in 2008 and 2009: This provides for the annualization of **15** additional positions appropriated in 2008 and **1** additional positions requested in the 2009 Omnibus. Annualization of new positions extends to 3 years to provide for entry level funding in the first year with a 2-year progression to the journeyman level. For 2008 increases, this request includes an increase of **\$333,000** for full-year payroll costs associated with these additional positions. For 2009, this request includes a decrease of **-\$91,000** for one-time items associated with the increased position.

	2008 Increases (\$000)	Annualization Required for 2010 (\$000)	2009 Increases (\$000)	Annualization Required for 2010 (\$000)
Annual salary rate of new positions	5,978	253	60	42
Less lapse (50 %)	2,989	-	30	-
Net Compensation	2,989	253	30	42
Associated employee benefits	2,187	80	45	19
Travel	28	-	11	11
Transportation of Things	1,465	-	12	(7)
Communications/Utilities	121	-	26	26
Printing/Reproduction	3	-	-	-
Other Contractual Services:		-	-	-
25.2 Other Services	1,365	-	94	(67)
25.3 Purchase of Goods and Services from Government Accts.	69	-	89	25
25.4 Operation and Maintenance of Facilities	-	-	-	-
25.6 Medical Care	14	-	2	-
25.7 Operations and Maint of Equip	-	-	-	-
Supplies and Materials	496	-	1	1
Equipment	4,563	-	188	(141)
Land and Structures	105	-	-	-
TOTAL COSTS SUBJECT TO ANNUALIZATION	\$ 13,405	\$ 333	\$ 498	\$ (91)

Retirement: Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on OPM government-wide estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year. The requested increase of **\$92,000** is necessary to meet our increased retirement obligations as a result of this conversion.

Exhibit E

E. Justification for Base Adjustments

Employee Compensation Fund (ECF): This request provides for the adjustment of the Department of Labor billing for injury benefits associated with a particular agency. The requested increase of **\$47,000** is required to meet our commitment to the Department of Labor.

Health Insurance: Effective January 2007, this component's contribution to Federal employees' health insurance premiums increase by **1.8** percent. Applied against the 2009 estimate of **\$6,189,000** the additional amount required is **\$110,000**.

General Services Administration (GSA) Rent: GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of **\$1,154,000** is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective in FY 2007 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. Rate increases have been formulated based on GSA rent billing data.

DHS Security Charges: The Department of Homeland Security (DHS) will continue to charge Basic Security and Building Specific Security. The requested increase of **\$32,000** is required to meet our commitment to DHS, and cost estimates were developed by DHS.

Security Investigations: The **\$43,000** increase reflects payments to the Office of Personnel Management for security reinvestigations for employees requiring security clearances.

Government Printing Office (GPO): GPO provides an estimate rate increase of 2.0%. This percentage was applied to the FY 2009 estimate of **\$405,000** to arrive at an increase of **\$8,000**.

International Cooperative Administrative Support Services (ICASS): Under the ICASS, an annual charge is made by the Department of State for administrative support based on the overseas staff of each federal agency. This request is based on the initial **\$56,000** billing for post invoices and other ICASS costs.

Government Leased Quarters (GLQ) Requirement: GLQ is a mandatory program managed by the Department of State (DOS) and provides government employees stationed overseas with housing and utilities. DOS exercises authority for leases and control of the GLQs and negotiates the lease for components. **\$14,000**, reflects the change in cost to support existing staffing levels.

E. Justification for Base Adjustments

Post Allowance - Cost of Living Allowance (COLA): For employees stationed abroad, components are obligated to pay for their COLA. COLA is intended to reimburse certain excess costs and to compensate the employee for serving at a post where the cost of living, excluding the cost of quarters and the cost of education for eligible family members, is substantially higher than in the Washington, D.C. area. **\$4,000**, reflects the increase in cost to support existing staffing levels.

Living Quarter Allowance : The living quarters allowance (LQA) is an allowance granted an employee for the annual cost of adequate living quarters for the employee and the employee's family at a foreign post. The rates are designed to cover the average costs of rent, heat, light, fuel, gas, electricity, water, local taxes, and insurance paid by the employee. Employees who receive GLQ do not receive LQA and vice versa. **\$7,000** reflects the change in cost to support existing staffing levels.

Education Allowance : For employees stationed abroad, components are obligated to meet the educational expenses incurred by an employee in providing adequate elementary (grades K-8) and secondary (grades 9-12) education for dependent children at post. **\$11,000**, reflects the change in cost to support existing staffing levels.

F. Crosswalk of FY 2008 Availability

Crosswalk of 2008 Availability
Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Decision Unit	FY 2008 Enacted			Rescissions			Supplementals			Reprogrammings / Transfers			Carryover / Recoveries			FY 2008 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
International Enforcement	1,036	992	\$ 354,823	-	-	\$ -	-	-	\$ 29,861	-	-	\$ 3,000	-	-	\$ 6,733	1,036	992	\$ 394,417
Domestic Enforcement	7,087	7,042	1,496,373	-	-	-	-	-	-	-	-	96,259	-	-	115,899	7,087	7,042	1,708,531
State and Local Assistance	28	26	6,373	-	-	-	-	-	-	-	-	119	-	-	-	28	26	6,492
TOTAL, DEA	8,151	8,060	\$ 1,857,569	-	-	\$ -	-	-	\$ 29,861	-	-	\$ 99,378	-	-	\$ 122,632	8,151	8,060	\$ 2,109,440
Reimbursable FTE		1,436			-			-			-			-			1,436	
Total FTE		9,496			-			-			-			-			9,496	
Other FTE																		
LEAP		996			-			-			-			-			996	
Overtime		61			-			-			-			-			61	
Total, Compensable FTE		10,553			-			-			-			-			10,553	

Supplemental: \$29,861,000 for the Global War on Terrorism per P.L. 110-252

Transfer #1: Transfers of \$70,383,633 of DEA expired funds to DEA's no-year S&E account per P.L. 108-447, P.L. 109-108, and P.L. 110-5

Transfer #2: Transfers from HIDTA of \$15,680,552 per P.L. 110-5 and P.L. 110-161

Transfer #3: Transfer to HIDTA of \$443,745 per P.L. 110-5

Transfer #4: Per the Commercial Spectrum Relocation Act (P.L. 108-494), \$14,075,000 was transferred from OMB to DOJ (and subsequently to DEA) in September 2008.

Transfer #5: Transfer to Transfer to Wireless Management Office of \$317,366 per P.L. 110-161

Carryover/Recoveries: As of September 30, 2008, DEA has brought forward a total of \$122,632,000 from FY 2007 to FY 2008. This amount includes \$105,510,000 in unobligated balances brought forward from the S&E No Year and Multi-Year Appropriations; \$10,781,000 in recoveries from prior year obligations (VCRP \$310,000; S&E No-Year and Multi-Year Appn. \$10,234,000; and Construction \$237,000); and \$6,341,000 in proceeds from the sale of official government vehicles (\$3,545,000 unobligated balances brought forward and \$2,796,000 in new sales).

This page intentionally left blank

F. Crosswalk of 2008 Availability

Crosswalk of 2008 Availability
Drug Enforcement Administration
Diversion Control Fee Account
(Dollars in Thousands)

Decision Unit	FY 2008 Enacted			Rescissions			Reprogrammings / Transfers			Carryover / Recoveries			FY 2008 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
DCFA	1,187	1,176	\$239,249	-	-	\$ -	-	-	\$ -	-	-	\$67,796	1,187	1,176	\$307,045
TOTAL, DEA	1,187	1,176	\$239,249	-	-	\$ -	-	-	\$ -	-	-	\$67,796	1,187	1,176	\$307,045
Reimbursable FTE		-			-			-			-			-	
Total FTE		1,176			-			-			-			1,176	
Other FTE															
LEAP		45			-			-			-			45	
Overtime		15			-			-			-			15	
Total, Compensable FTE		1,236			-			-			-			1,236	

Unobligated Balances: DEA brought forward a total of \$67,796,000 from FY 2007 to FY 2008. This amount includes \$64,079,000 in unobligated balances brought forward and \$3,482,000 in recoveries from prior year obligations. In addition, DEA's DCFA has received \$235,000 from FY 2008 sale of official government vehicles.

Collections: In FY 2008, DEA collected \$220,904,000 in fees for the Diversion Control Fee Account, which is \$18,345,000 below the FY 2008 Enacted Budget of \$239,249,000.

This page intentionally left blank

G. Crosswalk of 2009 Availability

Crosswalk of 2009 Availability Drug Enforcement Administration Salaries and Expenses (Dollars in Thousands)

Decision Unit	FY 2009 Enacted			Rescissions			Supplementals			Reprogrammings / Transfers			Carryover / Recoveries			FY 2009 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
International Enforcement	1,059	1,003	\$ 388,416	-	-	\$ -	-	-	\$ -	-	-	\$ 240	-	-	\$ 32,964	1,059	1,003	\$ 421,620
Domestic Enforcement	7,148	7,080	1,544,160	-	-	-	-	-	-	-	-	68,815	-	-	44,234	7,148	7,080	1,657,209
State and Local Assistance	28	26	6,508	-	-	-	-	-	-	-	-	33	-	-	119	28	26	6,660
TOTAL, DEA	8,235	8,109	\$ 1,939,084	-	-	\$ -	-	-	\$ -	-	-	\$ 69,088	-	-	\$ 77,317	8,235	8,109	\$ 2,085,489
Reimbursable FTE		1,361			-			-			-			-			1,361	
Total FTE		9,470			-			-			-			-			9,470	
Other FTE																		
LEAP		1,004			-			-			-			-			1,004	
Overtime		61			-			-			-			-			61	
Total, Compensable FTE		10,535			-			-			-			-			10,535	

Transfer #1: Transfer of \$14,858,716 of DEA expired funds to DEA's no-year S&E account per P.L. 110-161

Transfer #2: Per the Commercial Spectrum Relocation Act (P.L. 108-494), \$55,687,000 was transferred from OMB to DOJ (and subsequently to DEA) in April 2009.

Transfer #3: Anticipated transfer to Transfer to Wireless Management Office of \$1,458,166 per P.L. 111-8

Carryover/Recoveries: As of September 30, 2008, DEA has carried forward from FY 2008 to FY 2009 \$77,317,000 in unobligated balances from S&E no-year appropriations, S&E multi-year appropriations, and VCRP appropriations.

This page intentionally left blank

G. Crosswalk of 2009 Availability

Crosswalk of 2009 Availability
Drug Enforcement Administration
Diversion Control Fee Account
(Dollars in Thousands)

Decision Unit	FY 2009 Enacted			Rescissions			Reprogrammings / Transfers			Carryover / Recoveries			FY 2009 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
DCFA	1,188	1,184	\$244,450	-	-	\$-	-	-	\$-	-	-	\$60,388	1,188	1,184	\$304,838
TOTAL, DEA	1,188	1,184	\$244,450	-	-	\$-	-	-	\$-	-	-	\$60,388	1,188	1,184	\$304,838
Reimbursable FTE		-			-			-			-			-	
Total FTE		1,184			-			-			-			1,184	
Other FTE															
LEAP		45			-			-			-			45	
Overtime		15			-			-			-			15	
Total, Compensable FTE		1,244			-			-			-			1,244	

Unobligated Balances: As of September 30, 2008, DEA has carried forward \$60,388,000 in unobligated balances from FY 2008 to FY 2009.

Collections: In FY 2009, fee collections are estimated at \$225,033,000 (after the first \$15 million is deposited into the Treasury General Account), which is \$19,417,000 below the FY 2009 Enacted Budget of \$244,450,000.

This page intentionally left blank

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources Drug Enforcement Administration (Dollars in Thousands)

Collections by Source	2008 Enacted			2009 Planned			2010 Request			Increase/Decrease		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Organized Crime Drug Enforcement	1,349	1,349	182,204	1,283	1,283	186,825	1,283	1,283	193,551	-	-	6,726
Regional Drug Intelligence Squads	79	79	11,060	74	74	11,357	74	74	11,594	-	-	237
Assets Forfeiture Fund	-	-	151,531	-	-	151,531	-	-	151,531	-	-	-
Department of Treasury	-	-	200	-	-	200	-	-	200	-	-	-
Office of National Drug Control Policy	-	-	221	-	-	221	-	-	221	-	-	-
Department of State	-	-	5,953	-	-	5,953	-	-	5,953	-	-	-
Department of Justice	3	3	43,562	3	3	28,562	3	3	33,562	-	-	5,000
National Drug Intelligence Center	1	1	86	-	-	-	-	-	-	-	-	-
Department of Defense	1	1	6,366	1	1	6,366	1	1	6,366	-	-	-
Federal Bureau of Investigation	-	-	4,505	-	-	4,505	-	-	4,505	-	-	-
Misc. Government	3	3	219	-	-	3	-	-	3	-	-	-
Misc. Non-Government	-	-	1,364	-	-	1,364	-	-	1,364	-	-	-
Department of Homeland Security	-	-	1,977	-	-	1,977	-	-	1,977	-	-	-
Budgetary Resources:	1,436	1,436	\$409,248	1,361	1,361	\$398,864	1,361	1,361	\$410,827	-	-	\$11,963

This page intentionally left blank

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category Drug Enforcement Administration Salaries and Expenses

Category	2008 Enacted w/Rescissions and Supplementals		2009 Enacted		2010 Request					
	Total Authorized	Total Reimbursable	Total Authorized	Total Reimbursable	ATBs	Program Increases	Program Decreases	Total Pr. Changes	Total Authorized	Total Reimbursable
Miscellaneous Operations (010-099)	111	6	111	6	-	-	-	-	111	6
Social Sciences Series (100-199)	5	-	5	-	-	-	-	-	5	-
Intelligence Series (132)	784	88	789	79	-	28	-	28	817	79
Personnel Management (200-299)	118	-	118	-	-	-	-	-	118	-
Clerical and Office Services (300-399)	1,543	277	1,559	263	-	32	-	32	1,591	263
Biological Sciences (400-499)	-	-	-	-	-	-	-	-	-	-
Accounting and Budget (500-599)	335	-	335	-	-	-	-	-	335	-
Medical, Dental and Public Health (600-799)	1	-	1	-	-	-	-	-	1	-
Engineering and Architecture Group (800-899)	7	-	7	-	-	-	-	-	7	-
Paralegals / Other Law (900-998)	28	1	28	1	-	-	-	-	28	1
Attorneys (905)	71	-	71	-	-	-	-	-	71	-
Legal Instruments Examining Series (963)	-	-	-	-	-	-	-	-	-	-
Information & Arts (1000-1099)	35	-	35	-	-	-	-	-	35	-
Business & Industry (1100-1199)	63	-	63	-	-	-	-	-	63	-
Physical and Sciences Group (Other than Chemists)(1300-1399)	7	-	7	-	-	-	-	-	7	-
Chemist Series (1320)	325	-	326	-	-	4	-	4	330	-
Library (1400-1499)	4	-	4	-	-	-	-	-	4	-
Mathematics and Statistics Group (1500-1599)	11	-	11	-	-	-	-	-	11	-
Equipment/Facilities Services (1600-1699)	11	-	11	-	-	-	-	-	11	-
Education Group (1700-1799)	13	-	13	-	-	-	-	-	13	-
General Investigative Series (1801)	-	-	-	-	-	-	-	-	-	-
Miscellaneous Inspectors Series (1802)	392	-	392	-	-	-	-	-	392	-
Criminal Investigative Series (1811)	3,989	1,055	4,051	1,003	-	79	-	79	4,130	1,003
Quality Assurance Series (1900-1999)	6	-	6	-	-	-	-	-	6	-
Supply Services (2000-2099)	46	-	46	-	-	-	-	-	46	-
Transportation (2100-2199)	18	-	18	-	-	-	-	-	18	-
Information Technology Mgmt (2210)	206	9	206	9	-	-	-	-	206	9
Ungraded (Wage Grade & Foreign Service Local)	22	-	22	-	-	-	-	-	22	-
Total	8,151	1,436	8,235	1,361	-	143	-	143	8,378	1,361
Headquarters (Washington, D.C.)	1,625	309	1,626	290	-	-	-	-	1,626	290
U.S. Field	5,761	1,127	5,844	1,070	-	143	-	143	5,987	1,070
Foreign Field	765	-	765	1	-	-	-	-	765	1
Total	8,151	1,436	8,235	1,361	-	143	-	143	8,378	1,361

Exhibit I

This page intentionally left blank

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category Drug Enforcement Administration Diversion Control Fee Account

Category	2008 Enacted w/Rescissions and Supplementals		2009 Enacted		2010 Request					
	Total Authorized	Total Reimbursable	Total Authorized	Total Reimbursable	ATBs	Program Increases	Program Decreases	Total Pr. Changes	Total Authorized	Total Reimbursable
Miscellaneous Operations (010-099)	2	-	2	-	-	-	-	-	2	-
Social Sciences Series (100-199)	-	-	-	-	-	-	-	-	-	-
Intelligence Series (132)	73	-	73	-	-	-	-	-	73	-
Personnel Management (200-299)	4	-	4	-	-	-	-	-	4	-
Clerical and Office Services (300-399)	227	-	227	-	-	-	-	-	227	-
Biological Sciences (400-499)	3	-	3	-	-	-	-	-	3	-
Accounting and Budget (500-599)	7	-	7	-	-	-	-	-	7	-
Medical, Dental and Public Health (600-799)	11	-	11	-	-	-	-	-	11	-
Engineering and Architecture Group (800-899)	2	-	2	-	-	-	-	-	2	-
Paralegals / Other Law (900-998)	6	-	6	-	-	-	-	-	6	-
Attorneys (905)	18	-	18	-	-	-	-	-	18	-
Legal Instruments Examining Series (963)	20	-	20	-	-	-	-	-	20	-
Information & Arts (1000-1099)	1	-	1	-	-	-	-	-	1	-
Business & Industry (1100-1199)	1	-	1	-	-	-	-	-	1	-
Physical and Sciences Group (Other than Chemists)(1300-1399)	5	-	5	-	-	-	-	-	5	-
Chemist Series (1320)	8	-	8	-	-	11	-	11	19	-
Library (1400-1499)	3	-	3	-	-	-	-	-	3	-
Mathematics and Statistics Group (1500-1599)	1	-	1	-	-	-	-	-	1	-
Equipment/Facilities Services (1600-1699)	-	-	-	-	-	-	-	-	-	-
Education Group (1700-1799)	2	-	2	-	-	-	-	-	2	-
General Investigative Series (1801)	515	-	516	-	-	-	-	-	516	-
Miscellaneous Inspectors Series (1802)	67	-	67	-	-	-	-	-	67	-
Criminal Investigative Series (1811)	179	-	179	-	-	-	-	-	179	-
Quality Assurance Series (1900-1999)	-	-	-	-	-	-	-	-	-	-
Supply Services (2000-2099)	-	-	-	-	-	-	-	-	-	-
Transportation (2100-2199)	-	-	-	-	-	-	-	-	-	-
Information Technology Mgmt (2210)	32	-	32	-	-	-	-	-	32	-
Ungraded (Wage Grade & Foreign Service Local)	-	-	-	-	-	-	-	-	-	-
Total	1,187	-	1,188	-	-	11	-	11	1,199	-
Headquarters (Washington, D.C.)	332	-	332	-	-	-	-	-	332	-
U.S. Field	839	-	839	-	-	11	-	11	850	-
Foreign Field	16	-	17	-	-	-	-	-	17	-
Total	1,187	-	1,188	-	-	11	-	11	1,199	-

Exhibit I

This page intentionally left blank

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes
Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Grades:	Domestic Southwest Border Initiative		Foreign CT Investments		Program Changes	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
SES	-	\$ -	-	\$ -	-	\$ -
GS-15	-	-	-	-	-	-
GS-14	-	-	9	1,006	9	1,006
GS-13	-	-	4	382	4	382
GS-12	-	-	-	-	-	-
GS-11	-	-	-	-	-	-
GS-10	-	-	-	-	-	-
GS-9	118	6,108	-	-	118	6,108
GS-8	-	-	2	100	2	100
GS-7	10	418	-	-	10	418
GS-5	-	-	-	-	-	-
Total positions & annual amount	128	6,526	15	1,488	143	8,014
Lapse (-)	(64)	(3,263)	-	-	(64)	(3,263)
Other personnel compensation	-	561	-	248	-	809
Total FTE & personnel compensation	64	\$3,824	15	\$1,736	79	\$5,560
Personnel benefits		\$1,784		\$812		\$2,596
Travel and transportation of persons		8		1,264		1,272
Transportation of things		238		73		311
GSA rent		-		93		93
Communication, rents, and utilities		326		1,044		1,370
Printing		2		1		3
Other services		5,023		2,824		7,847
Purchases of goods & services from Government accounts		572		162		734
Medical Care		295		11		306
Operation and maintenance of equipment		0		900		900
Supplies and materials		573		560		1,133
Equipment		10,480		520		11,000
Land and structures		950		-		950
Total, FY 2010 program changes requested	64	\$24,075	15	\$10,000	79	\$34,075

Exhibit J

This page intentionally left blank

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes
Drug Enforcement Administration
Diversion Control Fee Account
(Dollars in Thousands)

Grades:	DCFA Diversion Control Support		Program Changes	
	Pos.	Amount	Pos.	Amount
SES	-	\$ -	-	\$ -
GS-15	-	-	-	-
GS-14	-	-	-	-
GS-13	-	-	-	-
GS-12	-	-	-	-
GS-11	-	-	-	-
GS-10	-	-	-	-
GS-9	11	562	11	562
GS-8	-	-	-	-
GS-7	-	-	-	-
GS-5	-	-	-	-
Total positions & annual amount	11	562	11	562
Lapse (-)	(5)	(279)	(5)	(279)
Other personnel compensation	-	-	-	-
Total FTE & personnel compensation	6	\$283	6	\$283
Personnel benefits		\$112		\$112
Transportation of things		17		17
Communication, rents, and utilities		59		59
Other services		188		188
Purchases of goods & services from Government accounts		25		25
Medical Care		12		12
Supplies and materials		99		99
Equipment		1,829		1,829
Land and structures		82		82
Total, FY 2010 program changes requested	6	\$2,706	6	\$2,706

Exhibit J

This page intentionally left blank

K. Summary of Requirements by Grade

Summary of Requirements by Grade Drug Enforcement Administration Salaries and Expenses

Grades and Salary Ranges	2008 Enacted w/Rescissions and Supplementals		2009 Enacted		2010 Request		Increase/Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Executive Level	2		2		2		-	
SES, \$111,676 - \$168,000	78		78		78		-	
GS-15, \$110,363 - 143,471	345		345		345		-	
GS-14, \$93,822 - 121,967	1,164		1,165		1,174		9	
GS-13, \$79,397 - 103,220	3,695		3,695		3,699		4	
GS-12, \$66,767 - 86,801	984		984		984		-	
GS-11, \$55,706 - 72,421	357		357		394		37	
GS-10, 50,703 - 65,912	17		17		17		-	
GS-9, \$46,041 - 59,852	425		495		576		81	
GS-8, 41,686 - 54,194	320		320		324		4	
GS-7, \$37,640 - 48,933	581		594		602		8	
GS-6, \$33,872 - 44,032	76		76		76		-	
GS-5, \$30,386 - 39,501	48		48		48		-	
GS-4, \$27,159 - 35,303	32		32		32		-	
GS-3, \$24,194 - 31,451	10		10		10		-	
GS-2, \$22,174 - 27,901	1		1		1		-	
GS-1, \$19,722 - 24,664	2		2		2		-	
Ungraded	14		14		14		-	
Total, appropriated positions	8,151		8,235		8,378		143	
Average SES Salary		\$141,631		\$146,022		\$149,234		
Average GS Salary		\$82,111		\$84,657		\$86,519		
Average GS Grade		12						

This page intentionally left blank

K. Summary of Requirements by Grade

Summary of Requirements by Grade
Drug Enforcement Administration
Diversion Control Fee Account

Grades and Salary Ranges	2008 Enacted w/Rescissions and Supplementals		2009 Enacted		2010 Request		Increase/Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
AL	3		3		3		-	
SES, \$111,676 - \$168,000	2		2		2		-	
GS-15, \$110,363 - 143,471	47		47		47		-	
GS-14, \$93,822 - 121,967	192		192		192		-	
GS-13, \$79,397 - 103,220	472		472		472		-	
GS-12, \$66,767 - 86,801	199		199		199		-	
GS-11, \$55,706 - 72,421	28		28		29		1	
GS-10, 50,703 - 65,912	-		-		-		-	
GS-9, \$46,041 - 59,852	91		92		102		10	
GS-8, 41,686 - 54,194	32		32		32		-	
GS-7, \$37,640 - 48,933	71		71		71		-	
GS-6, \$33,872 - 44,032	21		21		21		-	
GS-5, \$30,386 - 39,501	20		20		20		-	
GS-4, \$27,159 - 35,303	4		4		4		-	
GS-3, \$24,194 - 31,451	4		4		4		-	
GS-2, \$22,174 - 27,901	1		1		1		-	
GS-1, \$19,722 - 24,664	-		-		-		-	
Total, appropriated positions	1,187		1,188		1,199		11	
Average SES Salary		\$ 151,176		\$155,862		\$159,291		
Average GS Salary		\$ 79,365		\$81,825		\$83,625		
Average GS Grade		12		12		12		

This page intentionally left blank

L. Summary of Requirements by Object Class

Summary of Requirements by Object Class Drug Enforcement Administration Salaries and Expenses (Dollars in Thousands)

Object Classes	2008 Actuals		FY 2009 Enacted		FY 2010 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Direct FTE & personnel compensation	6,862	\$564,040	8,109	\$697,735	8,230	\$723,251	121	\$25,516
11.3 Other than full-time permanent	-	5,167	-	5,147	-	5,147	-	-
11.5 Total, Other personnel compensation	968	112,344	1,065	97,524	1,085	99,012	20	1,488
<i>Overtime</i>	25		61		62		1	
<i>Other Compensation</i>	943		1,004		1,023		19	
11.8 Special personal services payments	-	943	-	13	-	13	-	-
Total	7,830	\$682,494	9,174	\$800,419	9,315	\$827,423	161	\$27,004
Other Object Classes:								
12.0 Personnel benefits		293,209		284,355		300,830		16,475
21.0 Travel and transportation of persons		38,547		60,819		50,238		(10,581)
22.0 Transportation of things		11,029		8,324		7,885		(439)
23.1 GSA rent		172,347		190,361		197,234		6,873
23.2 Moving/Lease Expirations/Contract Parking		3,696		7,672		6,870		(802)
23.3 Comm., util., & other misc. charges		93,703		108,405		97,067		(11,338)
24.0 Printing and reproduction		279		616		557		(59)
25.1 Advisory and assistance services		1,970		3,824		3,364		(460)
25.2 Other services		109,420		173,888		160,945		(12,943)
25.3 Purchases of goods & services from Government accounts		308,907		229,416		198,937		(30,479)
25.4 Operation and maintenance of facilities		5,162		6,417		5,628		(789)
25.6 Medical Care		2,905		5,376		4,856		(520)
25.7 Operation and maintenance of equipment		53,543		91,576		68,675		(22,901)
25.8 Subsistence and Support of Persons		337		236		208		(28)
26.0 Supplies and materials		49,406		36,841		33,537		(3,304)
31.0 Equipment		160,296		49,279		50,210		931
32.0 Land and Structures		25,711		14,070		12,695		(1,375)
42.0 Claims		488		594		523		(71)
Total obligations		\$2,013,449		\$2,072,488		\$2,027,682		(\$44,806)
Unobligated balance, start of year		109,055		77,317		13,000		
Unobligated balance, end of year		77,317		13,000		-		
Unobligated balance expiring or withdrawn		(14,859)		-		-		
Transfers		28,994		54,229		-		
Carryforward using no year authority		70,384		14,859		-		
Recoveries of prior year obligations and OGV Sales		9,761		-		-		
Total DIRECT requirements		\$1,887,430		\$1,939,084		\$2,014,682		
Reimbursable FTE:								
Full-time permanent	1,240		1,361		1,361		-	-
23.1 GSA rent (Reimbursable)		6,187		6,187		6,187		-
25.3 DHS Security (Reimbursable)		196		196		196		-

Exhibit L

This page intentionally left blank

L. Summary of Requirements by Object Class

Summary of Requirements by Object Class Drug Enforcement Administration Diversion Control Fee Account (Dollars in Thousands)

Object Classes	2008 Actuals		2009 Enacted		2010 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Direct FTE & personnel compensation	998	\$101,230	1,184	\$89,464	1,190	\$92,121	6	\$2,657
11.3 Other than full-time permanent	-	864	-	182	-	182	-	-
11.5 Total, Other personnel compensation	60	4,592	60	4,422	60	4,438	-	16
<i>Overtime</i>	<i>15</i>		<i>15</i>		<i>15</i>		-	
<i>Law Enforcement Availability Pay</i>	<i>45</i>		<i>45</i>		<i>45</i>		-	
11.8 Special personal services payments	-	203	-	-	-	-	-	-
Total	1,058	\$106,889	1,244	\$94,068	1,250	\$96,741	6	\$2,673
Other Object Classes:								
12.0 Personnel benefits		23,410		30,828		32,010		1,182
13.0 Benefits to former personnel		-		1		1		-
21.0 Travel and transportation of persons		3,200		5,713		5,724		11
22.0 Transportation of things		534		4,765		4,775		10
23.1 GSA rent		19,036		14,750		15,904		1,154
23.2 Rental Payments to others		319		1,321		1,341		20
23.3 Comm., util., & other misc. charges		6,006		12,140		12,238		98
24.0 Printing and reproduction		1,146		405		413		8
25.1 Advisory and assistance services		2,488		5,742		5,742		-
25.2 Other services		8,835		18,070		18,223		153
25.3 Purchases of goods & services from Government accounts		43,105		18,185		18,334		149
25.4 Operation and maintenance of facilities		726		966		966		-
25.6 Medical Care		447		428		440		12
25.7 Operation and maintenance of equipment		1,692		5,418		5,418		-
25.8 Subsistence and Support of Persons		10		2		2		-
26.0 Supplies and materials		3,581		4,227		4,327		100
31.0 Equipment		5,559		27,266		28,954		1,688
32.0 Land and Structures		1,295		155		237		82
Total obligations		\$228,278		\$244,450		\$251,790		\$7,340
Unobligated balance, start of year		64,079		60,423		45,006		
Unobligated balance, end of year		60,423		45,006		22,934		
Unobligated balance expiring or withdrawn		-		-		-		
Transfers		-		-		-		
Recoveries and OGV Sales		3,718		4,000		4,000		
Total DIRECT requirements		\$220,904		\$225,033		\$225,718		
Reimbursable FTE:								
Full-time permanent	-		-		-		-	
23.1 GSA rent (Reimbursable)	-		-		-		-	
25.3 DHS Security (Reimbursable)	-		-		-		-	

Exhibit L

This page intentionally left blank

M. Status of Congressionally Requested Studies, Reports, and Evaluations

**Status of Congressionally Requested Studies,
Reports, and Evaluations
Drug Enforcement Administration**

DEA has no studies, reports, or evaluations pending delivery to Congress.

This page intentionally left blank

N. Financial Analysis and Cash Flow

Financial Analysis and Cash Flow Drug Enforcement Administration Diversion Control Fee Account (Dollars in Thousands)

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Projected	FY 2010 Projected
<u>Congressional Submission</u>	\$89,029	\$118,561	\$154,216	\$201,673	\$212,078	\$239,249	\$244,450	\$251,790
<u>Fiscal Year Financial Status:</u>								
1 Unobligated Balance Carried Forward from Prior Year	\$28,706	\$13,663	\$29,822	\$29,687	\$36,120	\$64,079	\$60,423	\$45,006
2 Receipt Collections	82,449	134,241	152,914	163,434	219,181	235,904	240,033	240,718
3 Fund Transfer from Salaries and Expenses	-	-	-	-	-	-	-	-
4 Treasury	<u>-15,000</u>	<u>-15,000</u>	<u>-15,000</u>	<u>-15,000</u>	<u>-15,000</u>	<u>-15,000</u>	<u>-15,000</u>	<u>-15,000</u>
5 <i>Net Receipt Collections</i>	<i>67,449</i>	<i>119,241</i>	<i>137,914</i>	<i>148,434</i>	<i>204,181</i>	<i>220,904</i>	<i>225,033</i>	<i>225,718</i>
6 Other Collections ¹	49	71	43	78	118	235	-	-
7 Obligations (Actual / Projected)	-85,578	-105,435	-143,228	-148,289	-179,307	-228,277	-244,450	-251,790
8 Recoveries from Deobligations	<u>3,037</u>	<u>2,282</u>	<u>5,136</u>	<u>6,210</u>	<u>2,967</u>	<u>3,482</u>	<u>4,000</u>	<u>4,000</u>
9 <i>Net Obligations</i>	<i>-82,541</i>	<i>-103,153</i>	<i>-138,092</i>	<i>-142,079</i>	<i>-176,340</i>	<i>-224,795</i>	<i>-240,450</i>	<i>-247,790</i>
¹⁰ Congressional Rescission	-	-	-	-	-	-	-	-
ENDING BALANCE (Lines 1+5+6+9+10)	\$13,663	\$29,822	\$29,687	\$36,120	\$64,079	\$60,423	\$45,006	\$22,934

¹ Other collections include actual receipts for the sale of official government vehicles.

This page intentionally left blank