
U.S. Department of Justice

Drug Enforcement Administration

FY 2013
Performance Budget
Congressional Submission



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I. Overview for the Drug Enforcement Administration (DEA)

Introduction

DEA enforces the provisions of the Controlled Substances Act (CSA) as they pertain to the control of illicit drugs, controlled substance pharmaceuticals, and listed chemicals. With close to 10,000 onboard employees dedicated to this single mission, DEA is the world's leading drug law enforcement agency. In order to provide the critical resources necessary for DEA's special agents, intelligence analysts, diversion investigators, and other personnel to continue their honorable and courageous efforts to reduce the availability of illicit drugs and precursor chemicals in America, DEA's FY 2013 budget request totals \$2,403,467,000 and includes 9,606 Full-Time Equivalents (FTE) and 9,694 positions (including 4,249 special agents).¹ In addition, DEA's request includes the cancellation of unobligated balances totaling \$15,600,000.

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.justice.gov/02organizations/bpp.htm>.

Every day, DEA wages a battle that involves disrupting and dismantling significant drug trafficking and money laundering organizations, attacking the economic basis of the drug trade, and contributing to counterterrorism activities tied to drugs. The work is dangerous, time-consuming, and multifaceted. DEA investigations are also becoming increasingly complex and frequently require more sophisticated investigative techniques such as electronic surveillance. Furthermore, the crimes transcend standard drug trafficking – they are directly tied to issues of national and border security.

Despite these challenges, DEA has made great strides against the scourge of drug trafficking and is proud of its recent accomplishments. *Project Delirium* is just one example of the many successful enforcement operations concluded within the past year. In July 2011, DEA announced the results of this 20-month series of investigations targeting La Familia Michoacana, a cartel known for violent drug trafficking activities and supplying most of the methamphetamine imported into the United States. *Project Delirium* led to 1,985 arrests and the seizure of \$62 million in U.S. currency, 2,773 pounds of methamphetamine, 2,722 kilograms of cocaine, 1,005 pounds of heroin, 14,818 pounds of marijuana, and \$3.8 million in other assets. As part of this operation, Mexican law enforcement arrested La Familia leader and Consolidated Priority Organization Target (CPOT)² Jose de Jesus Mendez-Vargas. More than 300 Federal, state, local, and foreign law enforcement agencies contributed investigative and prosecutorial resources to *Project Delirium*. Together, the joint efforts crippled La Familia by strangling its distribution networks and capturing its leaders and members.

¹ This includes DEA's Salaries and Expenses and Diversion Control Fee Accounts, but it does not include an anticipated \$505,486,000; 1,287 FTE; and 1,287 positions (including 944 Special Agents) from reimbursement accounts.

² As designated by the Attorney General and Organized Crime Drug Enforcement Task Force (OCDETF) member agencies, a CPOT is the command and control element of a major international drug trafficking organization and/or money laundering enterprise that significantly impacts the United States drug supply. CPOTs represent the "Most Wanted" drug trafficking and money laundering organizations.

While this enforcement success and the many others from the past year are encouraging, drug abuse remains a very serious problem in the U.S. Results from the 2010 National Survey on Drug Use and Health (NSDUH) indicate that an estimated 3.0 million persons aged 12 or older used an illicit drug for the first time within the past 12 months. This averages to about 8,100 initiates per day.³ The Office of National Drug Control Policy (ONDCP) paints a bleak picture when describing the consequences of illicit drug use:

“Overall, the economic impact of illicit drug use on American society totaled more than \$193 billion in 2007, the most recent year for which data are available. Drug-induced deaths now outnumber gunshot deaths in America, and in 17 states and Washington, D.C., they now exceed motor vehicle crashes as the leading cause of injury death. In addition, 1 in every 10 cases of HIV diagnosed in 2007 was transmitted via injection drug use, and drug use itself fosters risky behavior contributing to the spread of infectious diseases nationwide. Furthermore, studies of children in foster care find that two-thirds to three-quarters of cases involve parental substance abuse. Also, low-achieving high school students are more likely to use marijuana and other substances than high-achieving students.”⁴

To rid this country of the devastation associated with drug abuse, DEA’s FY 2013 request supports base resources and focuses on the continuation of established and successful enforcement initiatives. Along with the rest of the Department of Justice (DOJ), DEA has been and will continue to be committed to using its resources as effectively as possible. For example, in FY 2007, DEA initiated the Zero Based Budget (ZBB) process as a way to allocate funding to program offices based on a review of current program requirements and agency priorities, rather than prior year allocations. The goal was to provide sufficient base resources to support program costs for the full year while at the same time identifying program inefficiencies and opportunities for improvement.

In FY 2011, the Attorney General implemented a Department-wide hiring freeze, which established hiring caps for special agent and intelligence analyst positions and eliminated the hiring of support staff except for a few high priority exemptions. Additionally, the Attorney General directed the Department to eliminate non-essential spending. The hiring caps and spending guidance will remain in place through FY 2012. DEA has also played an active role in the Attorney General’s Save Council and taken steps to realize efficiencies in many areas, including travel, conferences, training, and supplies. In addition, DEA has continued the ZBB process and now relies on it as an annual review of its base resources. Therefore, the FY 2013 request represents an extension of DEA’s thorough internal budget review and includes only high priority base adjustments and program offsets, which will allow DEA to fund mandatory and high priority programs. In FY 2013, DEA’s President’s Budget includes the following program changes:

³ “Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

⁴ “2011 National Drug Control Strategy”. Office of National Drug Control Policy.

DOJ Program Realignments and Transfers

DEA's FY 2013 request includes a net increase of \$23,699,000 and 57 positions related to DOJ transfers and program realignments. These transfers include \$8,026,000 and 57 positions transferred from the National Drug Intelligence Center (NDIC) to DEA. The Department plans to transfer the document and media exploitation (DOMEX) function (44 positions) and the production of high priority Strategic Intelligence reports (13 positions) to DEA. The transfer of these positions and activities to DEA will occur during FY 2012. The FY 2013 request represents the cost to maintain these positions and activities at DEA during FY 2013. The request also includes transfers related to radio, DOJ managed information technology projects, the Office of Information Policy (OIP), and the Professional Responsibility Advisory Office (PRAO).

Maintaining Current Services

To maintain current services, DEA will make the following base adjustments:

Salaries and Expenses Account: \$25,239,000 in base adjustments includes funding for the 2013 pay raise of 0.5 percent, an additional compensable day, employee benefits, facilities, charges for positions stationed outside of the United States, and the operation and maintenance of radios.

Diversion Control Fee Account: \$30,563,000 in base adjustments includes funding for the FY 2013 pay raise of 0.5 percent, an additional compensable day, employee benefits, facilities, and charges for foreign positions. These base adjustments also include \$8,034,000 to fill existing, vacant positions and \$6,198,000 for additional state and local task force officers and administrative contractors for officers on Tactical Diversion Squads.

Program Offsets

DEA's FY 2013 request includes \$23,034,000 in program offsets. This includes several administrative and operational efficiencies, including costs related to foreign offices, travel, information technology, printing, purchases of goods and services, equipment, and supplies. DEA will also eliminate 164 vacant positions considered "hollow positions".

Cancellation of Prior Year Unobligated Balances

The FY 2013 President's Budget proposes the cancellation of \$15,600,000 in prior year unobligated balances from DEA's Salaries and Expenses Account.

FY 2013 Salaries and Expenses Account Program Changes By Strategic Goal

Strategic Goal	Item	Dollars	Pos	Agent	FTE
2	Hollow Position/FTE Reduction	\$0	-164	-95	-164
2	Information Technology Savings	-\$3,275,000	0	0	0
2	Administrative and Operational Efficiencies	-\$19,759,000	0	0	0
2	Unobligated Balances	-\$15,600,000	0	0	0
Total Program Changes		-\$38,634,000	-164	-95	-164

Mission

DEA's mission is to enforce 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 combat the threat and trafficking of illegal drugs and the diversion of licit drugs. Specifically, DEA's FY 2013 request supports the following strategic goals:

- **“Prevent Terrorism and Promote the Nation’s Security Consistent with the Rule of Law; Prevent, disrupt, and defeat terrorist operations before they occur”**- DOJ FY 2012-2016 Strategic Plan, Strategic Goal 1; Strategic Objective 1.1.
- **“Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; Combat the threat, incidence, and prevalence of violent crime”**- DOJ FY 2012-2016 Strategic Plan, Strategic Goal 2; Strategic Objective 2.1.
- **“Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs”**- DOJ FY 2012-2016 Strategic Plan, Strategic Goal 2; Strategic Objective 2.3.
- **“Disrupt Domestic Drug Trafficking and Production”**- 2011 National Drug Control Strategy, Chapter 5.
- **“Strengthen International Partnerships”**- 2011 National Drug Control Strategy, Chapter 6.

- **“Improve Information Systems for Analysis, Assessment, and Local Management”**- 2011 National Drug Control Strategy, Chapter 7.

Under DOJ’s FY 2012-2016 Strategic Plan, DEA supports the following three long-term outcome goals:

1. Reduce Gang Violence: By September 30, 2013, in conjunction with state and local law enforcement agencies, reduce the number of violent crimes attributed to gangs to achieve 5 percent increases on 3 key indicators:
 - youths who exhibited a change in targeted behaviors as a result of participation in DOJ gang prevention programs;
 - coordination on gang investigations among Federal, state, and local law enforcement resulting in gang arrests; and
 - intelligence products produced in support of Federal, state, and local investigations that are focused on gangs posing a significant threat to communities.
2. Dismantle 725 CPOT-linked drug trafficking organizations.
3. Disrupt 1,700 CPOT-linked drug trafficking organizations.

DEA is a single mission agency focused on drug enforcement. However, with an established link between drug trafficking and violent crime, DEA’s drug enforcement efforts impact violent crime rates across the United States. DEA’s ongoing effort to combat violent drug trafficking organizations leads to the restoration of safer environments for citizens. In furtherance of this effort and in support of the Department’s violent crime initiatives, on August 3, 2010, DEA and DOJ’s Criminal Division entered into a Memorandum of Understanding (MOU). Pursuant to the terms of the MOU, DEA agreed to establish a partnership with the National Gang Targeting, Enforcement and Coordination Center (GangTECC) in order to enhance the combined abilities of the partner agencies to coordinate information and enforcement activities to disrupt and dismantle regional, national, and international gang threats. Specifically, DEA established an organizational partnership between its Special Operations Division (SOD) and GangTECC to make SOD resources available in order to enhance GangTECC capabilities, coordinate existing GangTECC cases/operations, assist in the initiation of new GangTECC cases and initiatives, and enhance the investigations of regional, national, and international gang threats by providing operational intelligence and targeting support.

DEA’s drug enforcement efforts focus on the disruption or dismantlement of the most significant domestic and international drug trafficking and money laundering organizations. DEA’s current long-term outcome goal is to dismantle 650 and disrupt 1,550 CPOT-linked drug trafficking organizations by FY 2016.⁵ Already, DEA’s coordinated enforcement and intelligence efforts with Federal, state, local, and international partners are resulting in the largest and most dangerous drug trafficking organizations being put out of commission. In FY 2010, DEA disrupted or dismantled 2,683 priority targets, of which 504 were linked to CPOT organizations. In FY 2011, DEA disrupted or dismantled 3,030 priority targets, of which 540 were linked to

⁵ DEA’s CPOT-linked goals combined with the CPOT-linked goals of the Federal Bureau of Investigation equal the CPOT-linked goals included in the DOJ FY 2012-16 Strategic Plan.

CPOT organizations. Furthermore, in FY 2011, 37 of the 65 CPOTs identified on the FY 2011 CPOT list (57 percent) had been indicted. Furthermore, 18 of the 65 individuals associated with the FY 2011 CPOT list had been arrested.

In addition to the goals cited above, DEA has its own long-term objective to deny drug trafficker revenue (currency, property, and drugs seized) to the greatest extent possible. DEA is not only making it more difficult for traffickers to operate by taking their money away, but is following the money trail back to the command and control of the most significant drug trafficking organizations impacting the United States. Drug Trafficker Revenue Denied reflects the outcome of activities scored to DEA's International, Domestic, and State and Local Decision Units. DEA denied drug traffickers \$2.99 billion in revenue in FY 2010 and \$2.90 billion in revenue in FY 2011.

DEA's Strategic Priorities and Accomplishments

Over the past 35 years, DEA has evolved from a small, domestic-oriented law enforcement agency to a globally recognized agency with almost 10,000 employees. As the only single-mission federal agency dedicated to drug law enforcement, DEA's reputation and success can only be attributed to the outstanding and collective contributions of the men and women of DEA. DEA has proven its ability to disrupt and dismantle powerful drug organizations, seizing record amounts of drugs, cash, and assets. This has resulted in fewer drugs on the street, millions of dollars kept out of the hands of criminals and terrorists, fewer dangerous drugs in the hands of our children, and less violence in our communities. Every day, DEA shuts down criminal networks, bolsters national security, and restores peace and safety to citizens. The following section highlights some of DEA's strategic priorities, as well as recent accomplishments.

Disrupt and dismantle the major drug trafficking supply organizations and their networks - including organizations that use drug trafficking proceeds to fund terror

DEA enforcement efforts work to disrupt and dismantle entire drug trafficking networks by targeting their leaders for arrest and prosecution, confiscating the profits that fund continuing drug operations, and eliminating international sources of supply. To accomplish its mission, DEA focuses its investigations on CPOTs and Priority Target Organizations (PTOs),⁶ which are the most significant international and domestic drug trafficking and money laundering organizations. DEA's participation in the CPOT initiative has led to the indictment of 113, the arrest of 81, and the extradition of 42 of the 150 total FY 2003-FY 2011 CPOTs. Of the 15,349 foreign and domestic PTO investigations recorded since 2001, 5,696 have been dismantled at the close of FY 2011, a 23 percent increase over the 4,628 total PTOs dismantled at the close of FY 2010.

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/or individuals under

⁶ PTOs are identified by DEA Special Agents in Charge and Regional Directors.

investigation for drug violations. 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. As a result, DEA's drug trafficking and money laundering enforcement initiatives support and augment U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations and by preventing the use of illicit drugs as barter for munitions to support terrorism.

Established in 1994, SOD, a DEA-led multi-agency enforcement coordination entity, is the backbone of DEA's efforts to disrupt and dismantle major drug trafficking organizations, including narco-terrorism investigations. SOD's objective is to establish seamless law

SUCCESS STORY: Counterterrorism

On October 11, 2011, DEA and other federal law enforcement officials announced that an elaborate scheme to murder the Saudi Ambassador to the United States with explosives was foiled, thanks to the work of a DEA-led drug investigation. A criminal complaint filed in the Southern District of New York charges two individuals for their alleged participation in the plot. The defendants are Manssor Arbabsiar, a 56-year-old naturalized U.S. citizen holding both Iranian and U.S. passports, and Gholam Shakuri, an Iran-based member of Iran's Qods Force, which is a special operations unit of the Iranian Islamic Revolutionary Guard Corps (IRGC) that is said to sponsor and promote terrorist activities abroad. Both defendants are charged with conspiracy to murder a foreign official; conspiracy to engage in foreign travel and use of interstate and foreign commerce facilities in the commission of murder-for-hire; conspiracy to use a weapon of mass destruction (explosives); and conspiracy to commit an act of international terrorism transcending national boundaries. Arbabsiar is further charged with an additional count of foreign travel and use of interstate and foreign commerce facilities in the commission of murder-for-hire. Shakuri remains at large. Arbabsiar was arrested on September 29, 2011, at New York's John F. Kennedy International Airport. He faces a maximum potential sentence of life in prison if convicted of all the charges.

enforcement strategies and operations aimed at dismantling national and international trafficking organizations by attacking their command and control communications. Emphasis is placed on major drug trafficking and terrorist organizations financed by drug profits, which operate across jurisdictional boundaries on a regional, national, and international level. Operating at a classified level, SOD provides foreign and domestic based law enforcement partners with timely investigative information enabling them to fully exploit federal law enforcement's investigative authority under Title III of the U.S. Code. In this capacity, SOD actively supports multi-jurisdiction, multi-nation, and multi-agency wire intercept investigations, while working jointly with Federal, state, and local agencies.

SOD houses two unique field enforcement groups - the Bilateral Investigations Unit (959 Group) and the Terrorism Investigations Unit (960a Group). The broad jurisdictional reach of 21 USC §§ 959 and 960a significantly expands DEA's authority into narco-terrorism investigations. 21 USC § 960a allows for prosecution of terrorist-related, extra-territorial drug offenses and provides DEA with a particularly powerful tool to prosecute, disrupt, and dismantle narco-terrorist groups worldwide. 21 USC § 959 expands DEA's authority to the acts of

manufacture or distribution outside of the U.S. The section makes it unlawful for any person to manufacture or distribute a controlled substance or listed chemical intending or knowing that it will be unlawfully imported to the United States. The mission of these units differs from most other DEA field groups in that they regularly bring complex U.S. indictments against foreign based targets that are not vulnerable to traditional, domestic-based drug conspiracy charges.

Attack the financial infrastructure of drug trafficking organizations

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. DEA's position on the money laundering threat to the United States is two-fold. First, DEA is focused on proceeds generated by the illegal drug industry and the devastating effect this money has on the American public and the financial services industry. Second, DEA is addressing the threat that drug proceeds represent as a means of financing terrorist organizations.

Through DEA's Office of Financial Operations and specialized money laundering groups in each of DEA's 21 domestic 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, including Federal and state regulators who oversee the industry. To make a significant impact on the drug trade in the United States, DEA is

tracking and targeting illicit drug money back to the sources of supply before it can be used to finance the next production cycle of illegal drugs. The goal is to concentrate enforcement efforts and thereby disrupt drug markets, cause organizations to lose personnel and profits, and make drug trafficking no longer profitable. During FY 2011, DEA denied total revenue of \$2.9 billion from drug trafficking and money laundering organizations through asset and drug seizures. This includes nearly \$859 million in cash seizures. Between 2005 and FY 2011, DEA has stripped more than \$18.7 billion in revenue from drug trafficking organizations.

SUCCESS STORY: Financial Investigations

By filing a civil forfeiture complaint, DEA and its partners exposed the Lebanese Canadian Bank as a major money laundering source for Hizballah. On December 15, 2011, the complaint was filed alleging a massive, international scheme in which Lebanese financial institutions used the U.S. financial system to launder narcotics trafficking and other criminal proceeds through West Africa and back into Lebanon. As part of the scheme, funds were wired from Lebanon to the U.S. to buy used cars, which were then transported to West Africa. Cash from the sale of the cars, along with proceeds of narcotics trafficking, were then funneled to Lebanon through Hizballah-controlled money laundering channels. Substantial portions of the cash were paid to Hizballah, which the U.S. Department of State designated as a Foreign Terrorist Organization in 1997. As alleged in the complaint, the Hizballah-linked financial institutions involved in the scheme include the Lebanese Canadian Bank and two Lebanese exchange houses – the Hassan Ayash Exchange Company and Ellissa Holding – and their related subsidiaries and affiliates. The complaint also seeks civil money laundering penalties totaling \$483,142,568 from these entities, representing the sum of the funds they laundered.

Prevent the diversion of pharmaceutical controlled substances and listed chemicals from legitimate channels, including the Internet, while ensuring an adequate and uninterrupted supply for medical, commercial and scientific needs

SUCCESS STORY: National Take Back Initiative



DEA began the National Take Back Initiative in September 2010 to give the general public a way to rid their homes of unused, unwanted, or expired medications that were accumulating in their medicine cabinets and elsewhere. The success of these events are due to the cooperative efforts of more than 3,900 Federal, state, local, and tribal law enforcement agencies who sponsored more than 5,000 collection sites across the country. Following the first National Take Back Initiative, there were two subsequent events in April and October of 2011, each more successful than the previous. The amount of unwanted medications collected during the three events totals 995,185 pounds. The fourth National Take Back Initiative is scheduled for April 28, 2012.

In October 2010, President Obama signed into law the Secure and Responsible Drug Disposal Act, which supports local efforts to curb prescription drug abuse by providing Americans with safe, environmentally sound ways to dispose of unused, unneeded, or expired prescription drugs found at home. Since that time DEA is continuing to work on regulations that will provide alternatives for the public to dispose of their unused, unwanted and expired medications on a regular basis. This will prevent the accumulation of dangerous pills left in homes that could lead to diversion or death.

Of all the major drugs of abuse, only marijuana is available as a natural, harvested product. The others, whether they are illicit drugs such as cocaine, heroin, methamphetamine, or legitimately produced pharmaceuticals, must be manufactured. Many problems associated with drug abuse are the result of legitimately made controlled substances being diverted from their lawful purpose into illicit drug traffic. The mission of DEA's Office of Diversion Control is to enforce the provisions of the CSA and the Chemical Diversion and Trafficking Act by preventing, detecting, and investigating the diversion of controlled pharmaceuticals and listed chemicals from legitimate sources. At the same time, they ensure an adequate and uninterrupted supply for legitimate medical, commercial, and scientific needs.

DEA's Tactical Diversion Squads (TDS) are a key element of DEA's enforcement strategy to address the diversion of controlled substances. These teams are solely dedicated to investigating, disrupting, and dismantling individuals and organizations involved in drug diversion schemes. Additionally, they combine the expertise of diversion investigators, special agents, and task force officers from various state and local law enforcement or regulatory agencies. An important purpose of TDS groups is to provide coordination with different judicial districts to maximize the effectiveness of multiple investigations and prosecutions. To date, 40 TDSs are operational, an additional eight squads have been deployed, and ten are planned

for a total 58 squads in 37 states, Puerto Rico, and the District of Columbia. During FY 2011, the TDS groups collectively seized \$50,769,766.

Due to a combination of DEA enforcement activities, increased compliance among wholesalers and distributors, and the passage of the Ryan Haight Online Pharmacy Consumer Protection Act of 2008, there has been a reduction in rogue domestic DEA registered brick and mortar pharmacies that operated or associated with schemes via the Internet. However, DEA continues to identify, target and investigate criminal organizations, both domestically and internationally, which seek to exploit the Internet for the distribution of controlled pharmaceuticals. To combat the diversion of pharmaceutical controlled substances via the Internet, DEA utilizes a combination of enforcement, regulatory, and technological efforts. DEA also coordinates Internet investigations with Federal, state, and local agencies to maximize investigative resources and prosecution and provides training and education to investigators, prosecutors, industry, DEA registrants, and the public regarding online pharmacies.

Enhance the collection and sharing of intelligence to predict shifts in trafficking trends, to identify all components of the major drug supply organizations, and to support counter-terrorism

DEA's Intelligence Program is comprised of several components that are responsible for gathering, analyzing, and disseminating domestic and international drug-related intelligence. It also collects and reports national security intelligence encountered during the course of DEA's drug investigations. 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.

Recently, DEA's Intelligence Program has been refocused on the concept of predictive intelligence, which is the use of available intelligence to identify trends and vulnerabilities, followed by the concentration of enforcement resources on those specifically targeted areas. By collecting, collating, analyzing, and disseminating tactical, investigative, and strategic drug intelligence to international and national intelligence and law enforcement agencies, the Intelligence Program significantly impacts the drug threat facing the U.S. ensuring effective law enforcement operations are directed against drug trafficking organizations.

The El Paso Intelligence Center (EPIC) is a key component of DEA's Intelligence Program. This multi-agency national tactical intelligence center focuses its efforts on supporting law enforcement efforts in the Western Hemisphere, with particular emphasis on the Southwest Border. Through its 24-hour Watch function, EPIC provides law enforcement agents, investigators, and analysts with immediate access to participating agencies' databases. This function is critical in the dissemination of relevant information in support of tactical and investigative activities, de-confliction, and officer safety. EPIC also monitors and tracks criminal trafficking activities along the border through the use of surveillance and uniquely skilled personnel. Timely intelligence is provided directly to Federal, state, and local tactical enforcement elements for immediate use in interdiction operations. Additionally, EPIC supports the Bulk Currency Initiative by maintaining a database of all seized bulk currency in its National Seizure System (NSS), assisting agents in debriefing defendants, coordinating controlled

deliveries, assisting with follow-up investigations, providing guidance on federal prosecution, and assisting with the seizure and forfeiture of currency.

Another important piece of DEA's Intelligence Program is its participation in the Intelligence Community (IC). Through its Office of National Security Intelligence, DEA enhances current operations to ensure that national security information (such as weapons of mass destruction and terrorism) obtained in the course of conducting its drug law enforcement mission is expeditiously shared with the IC.

Strengthen partnerships with our domestic and foreign law enforcement counterparts to maximize the impact of our worldwide drug investigations and operations

To effectively accomplish its drug law enforcement mission, DEA works cooperatively with various law enforcement agencies worldwide. DEA participates in and contributes to the investigative efforts of Federal, state, and local law enforcement through direct partnerships, including task forces and information sharing initiatives. DEA also supplies intelligence and information that supports the disruption or dismantlement of drug trafficking organizations and leads to numerous drug seizures and arrests worldwide.

Because of the international nature of drug trafficking, experience has shown that strong partnerships with foreign counterparts are vital in the drug law enforcement arena. Furthermore, DEA is not authorized to operate unilaterally overseas, so cooperation with the U.S. State Department, as well as foreign law enforcement agencies is essential to the DEA mission. To build and nurture these relationships, DEA has 85 offices in 65 countries and more than 700 onboard employees stationed overseas. DEA's cooperative partnerships with foreign nations help them to develop more self-sufficient, effective drug law enforcement programs. As part of this effort, DEA conducts training for host country police agencies at the DEA training facilities in Quantico, Virginia and on-site in the host countries. DEA also works with host nation counterparts to stand up and train vetted units of foreign law enforcement officers with whom DEA works and shares information. In addition, the United States has extradition relationships with many nations and DEA makes use of these arrangements whenever possible. The agency's worldwide partnerships have led to multiple arrests and extraditions of the highest-level drug traffickers and money launderers, narcoterrorists, and international arms dealers.

In addition to international partnerships, DEA also recognizes the need for continued coordination of drug enforcement efforts with Federal, state, and local counterparts across the country. DEA has 226 domestic offices organized in 21 divisions throughout the United States and works closely with state and local partners. Cooperation provides advantages to all participating agencies and provides a federal presence in sparsely populated areas where DEA would not otherwise be represented. As of December 31, 2011, DEA led 218 state and local task forces with an on-board strength of 1,895 DEA special agents and 2,263 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. Additionally, 40 TDSs are operational in the domestic divisions, with a total of 177 of the authorized 314 task force officer positions filled.

These task forces and groups act as force multipliers by drawing on the expertise of state and local law enforcement. Additionally, DEA participates in a number of federal interagency efforts, including the Federal Bureau of Investigation's Safe Streets and Safe Trails Task Forces, ATF's Violent Crime Impact Teams and Project Safe Neighborhoods, the DOJ's Weed and Seed Program, and Attorney General's Anti-Gang Coordination Committee. The sharing of DEA intelligence and resources has led to many successful operations and highly effective drug law enforcement.

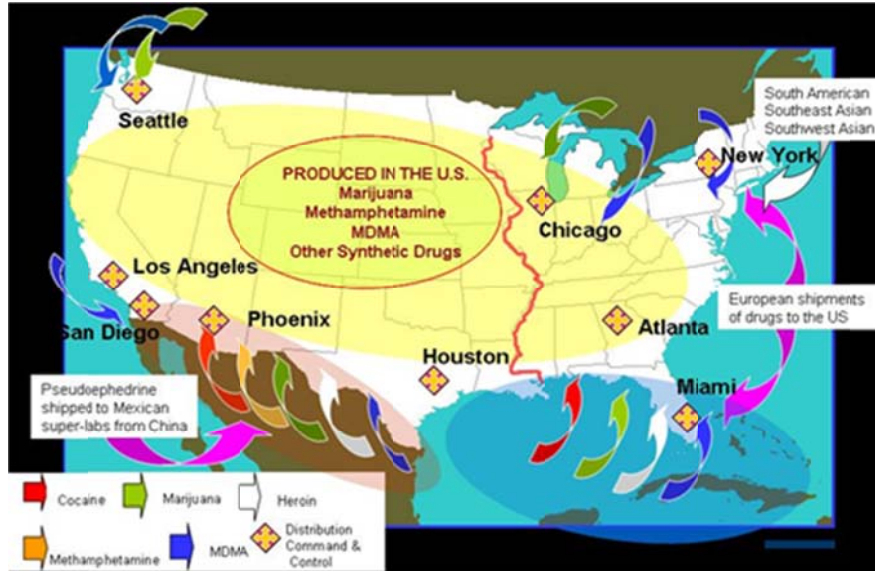
SUCCESS STORY: State & Local Partnerships

In February 2011, DEA announced the arrest of dozens of members and associates of the 38th Street gang, many of whom are named in a federal racketeering indictment that alleges a host of violent crimes, large-scale drug trafficking, and extortion of both drug dealers and legitimate businesses. The operation involved officers with the Los Angeles Police Department (LAPD) and special agents with DEA and the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF). A total of 37 defendants were arrested pursuant to federal indictments, and 20 more individuals were taken into custody on state weapons and narcotics charges. During the operation, authorities seized approximately seven kilograms of cocaine, one pound of methamphetamine, 23 firearms, and approximately \$250,000 in cash. The 38th Street gang, one of Southern California's oldest, is the subject of a 130-page grand jury indictment that alleges violations of the federal Racketeer Influenced and Corrupt Organizations (RICO) statute. Fifty defendants are charged with violating the federal RICO Act by acting on behalf of the gang and participating in murders, murder plots, attempted murders, narcotics trafficking, robberies, extortion and witness intimidation.

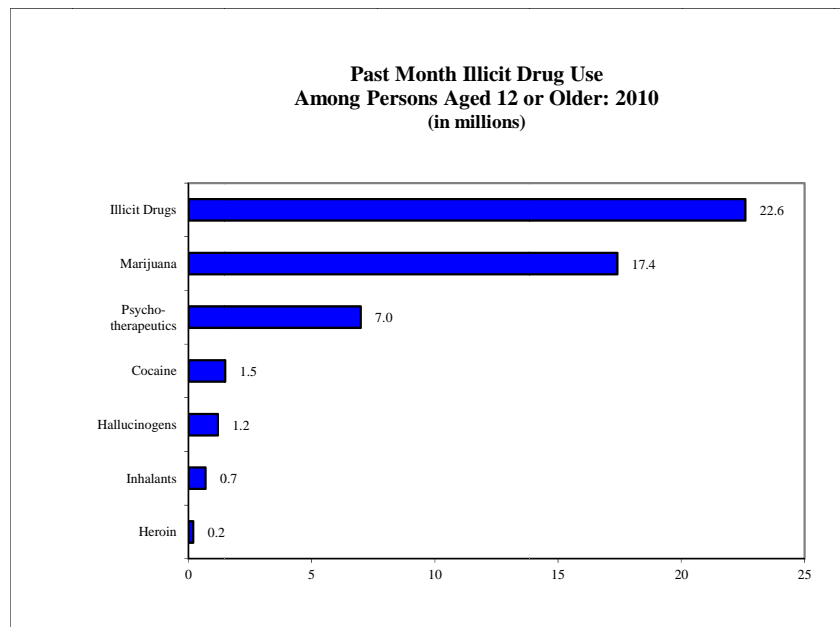
Drug Threats to the United States

DEA's most recent domestic drug threat assessment map (see the following page) provides a snapshot of the highly dynamic drug trafficking environment in the U.S. and highlights the challenges we continue to face in reducing the nation's illicit drug supply. The map 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 EPIC 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.

Primary U.S. Drug Threat Vectors and Distribution Centers



In 2010, an estimated 22.6 million Americans aged 12 or older were current (past-month) users of illicit drugs. This estimate represents 8.9 percent of the population aged 12 or older. Of these users, 7.1 million were classified as being dependent on or abusing illicit drugs within the past year. The following chart provides a breakout of the usage data by drug type:^{7,8}



⁷ Illicit Drugs include marijuana/hashish, cocaine (including crack), heroin, hallucinogens, inhalants, or prescription-type psychotherapeutics used non-medically.

⁸ “Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

The following section provides further information on the top drug threats facing the United States:

Methamphetamine



Methamphetamine is the most widely abused, domestically produced synthetic drug in the United States. Regular methamphetamine is a pill or powder; crystal meth resembles glass fragments or shiny blue-white “rocks” of various sizes. Methamphetamine is swallowed, snorted, injected, or smoked. Methamphetamine is a Schedule II stimulant under the CSA, which means that it has a high potential for abuse and limited medical use. It also has a low rate of sustained recovery and it is cheap to manufacture. Fortunately, national data is showing preliminary decreases in methamphetamine use. According to the 2010 NSDUH, the number of past month methamphetamine users decreased between 2006 and 2010, from 731,000 to 353,000. Additionally, the number of past year initiates of methamphetamine among persons aged 12 or older was 105,000 in 2010. This estimate was significantly lower than the estimate in 2007 (157,000) and only about one third of the estimate in 2002 (299,000).⁹

The methods used to manufacture methamphetamine depend on the availability of precursor chemicals. Currently, methamphetamine is mainly made with diverted products that contain pseudoephedrine. As has been the consistently the case over the past decade, at least 80 percent of methamphetamine consumed in the United States is produced by Mexican-operated labs either in Mexico or to a lesser extent the United States, with the remaining percent produced in domestic small toxic labs.¹⁰ While lab seizures and incidents in the United States are still below the epidemic years of 2002-2005, there is a clear upward trend in clandestine methamphetamine manufacturing activity. From 2007 to 2010, it was reported by EPIC that clandestine laboratories increased 132 percent and that total reported clandestine laboratory incidents (labs, dumpsites, chemicals, equipment, and glassware) increased 94 percent.

Investigations and intelligence has revealed that individuals and organized groups are engaged in activities to obtain pseudoephedrine and ephedrine products in amounts that exceed the Combat Methamphetamine Epidemic Act (CMEA) limit. (The daily purchase amount is limited to 3.6 grams, while the 30 day purchase limit is a cumulative 9 grams.) This illegal activity, called “smurfing,” is a major factor affecting the overall increase in clandestine methamphetamine laboratory seizures in the past few years. The development by methamphetamine traffickers and users of crude production methods such as the “one pot method”, has also led to the increase in “smurfing”. These simple methods, while at times only producing a gram or up to an ounce in quantities of methamphetamine, require smaller amounts of pseudoephedrine tablets, which are then combined with other household items that are easily obtainable.

⁹ “Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

¹⁰Based on DEA’s analysis of methamphetamine seizures along the Southwest border together with potential clandestine lab production based on domestic lab seizures.

Cocaine



Cocaine remains the leading drug threat to the United States based upon trafficking volume and violence associated with the trade. The powdered, hydrochloride (HCl) salt form of cocaine can be snorted or dissolved in water and injected. Crack is cocaine that has not been neutralized by an acid to make the HCl salt; this form of cocaine comes in a rock crystal that can be heated and its vapors smoked. Like methamphetamine, cocaine is a Schedule II stimulant under the CSA. The 2010 NSDUH found that there were 1.5 million current cocaine users aged 12 or older, or 0.6 percent of the population. These estimates were similar to the number and rate in 2009 (1.6 million or 0.7 percent), but lower than the estimates in 2006 (2.4 million or 1.0 percent). Additionally, the number of past year cocaine initiates aged 12 or older declined from 1.0 million in 2002 to 637,000 in 2010; the number of initiates of crack cocaine declined during this period from 337,000 to 83,000.¹¹

Cocaine is derived from coca leaves grown in Bolivia, Peru, and Colombia. The cocaine manufacturing process takes place in remote jungle labs where the raw product undergoes a series of chemical transformations. Currently, Colombia accounts for 34 percent of the world's potential pure cocaine production. In 2010, for the first time in recent history, Peru surpassed Colombia in potential 100 percent pure cocaine production with 325 metric tons, compared to 270 metric tons in Colombia. However, Colombia is still responsible for the vast majority—approximately 96 percent—of the cocaine HCl distributed to the United States. In addition, areas of coca cultivation in Colombia far surpass those in Peru.

Heroin



Heroin is one of the least used illegal drugs in the U.S. with around one percent of the population having tried it. Heroin is typically sold as a white or brownish powder, or as the black sticky substance known on the streets as “black tar heroin”. Although purer heroin is becoming more common, most street heroin is “cut” with other drugs or with substances. It can be injected, smoked, or sniffed/snorted. Heroin is a Schedule I substance under the CSA meaning that it has a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision. In 2010, there were 140,000 persons aged 12 or older who used heroin for the first time within the past year, not significantly different from the estimates from 2002 to 2009. Estimates during those years ranged from 91,000 to 180,000 per year.¹²

The U.S. heroin market is supplied entirely by foreign sources. Heroin is produced and made available in the U.S. from four distinct geographical areas: South America (Colombia), Mexico,

¹¹ “Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

¹² “Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

Southeast Asia (primarily Burma), and Southwest Asia (primarily Afghanistan). Within the U.S., there are two distinct heroin markets. East of the Mississippi River, highly pure white powder heroin from South America is the predominant type, entering the U.S. primarily through east coast international airports, the Caribbean, and the Southwest Border. West of the Mississippi River, black tar heroin from Mexico is the predominant type, entering the U.S. through the Southwest Border.

Afghanistan continues to be the source of 90 percent of the world's illicit opiates. However, Southwest Asian heroin is found in only very limited quantities in American cities. In 2010, heroin from Southwest Asia accounted for 14 percent (by weight) of the heroin analyzed through DEA's Heroin Signature Program. The primary markets for Southwest Asian opiates continue to be Europe, Russia, Iran, Central Asia, and increasingly China. Minimal amounts of Southeast Asian heroin are supplied to the U.S. markets.

Marijuana



According to the 2010 NSDUH, marijuana was the most commonly used illicit drug. Marijuana is a dry, shredded green/brown mix of flowers, stems, seeds, and leaves from the Cannabis sativa plant. It is usually smoked. Like heroin, cannabis is a Schedule 1 substance under the CSA. In 2010, there were 17.4 million past month users of marijuana. Between 2007 and 2010, the rate of use increased from 5.8 to 6.9 percent of the population aged 12 or older, and the number of users increased from 14.4 million to 17.4 million. In 2010, marijuana was one of the drug categories with the largest number of past year initiates among persons aged 12 or older, with 2.4 million using marijuana for the first time.¹³

Cannabis is grown in the United States, Canada, Mexico, South America, and Asia. It can be cultivated in both outdoor and indoor settings. The amount of marijuana produced in the United States is unknown. However, eradication data and law enforcement reporting indicate that the amount of marijuana produced domestically appears to be very high. This is based in part on the continued increases in the number of plants eradicated nationally.¹⁴ The primary source countries for foreign marijuana destined for the United States are Mexico and Canada. The amount of marijuana produced in Mexico has also increased significantly in recent years, approximately 59 percent overall since 2003.¹⁵

Although fifteen states and the District of Colombia have legalized "medical" marijuana, the cannabis plant itself is not medicine.¹⁶ The Food and Drug Administration (FDA) has not approved smoked marijuana for any condition or disease. Rather it has stated that "there is currently sound evidence that smoked marijuana is harmful," and "that no sound scientific

¹³ "Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings." U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

¹⁴ "National Drug Threat Assessment 2010." National Drug Intelligence Center. February 2010.

¹⁵ "National Drug Threat Assessment 2010." National Drug Intelligence Center. February 2010.

¹⁶ "2011 National Drug Control Strategy". Office of National Drug Control Policy.

studies supported medical use of marijuana for treatment in the United States, and no animal or human data supported the safety or efficacy of marijuana for general medical use.” In June, 2011, the Deputy Attorney General reiterated the DOJ policy on the enforcement of federal laws concerning marijuana, “Persons who are in the business of cultivating, selling or distributing marijuana, and those who knowingly facilitate such activities, are in violation of the Controlled Substances Act, regardless of state law.”

Non-Medical Use of Prescription Drugs



Prescription drug abuse is the Nation’s fastest-growing drug problem. The diversion and abuse of controlled prescription drugs are a significant concern, especially because pharmaceutical controlled substances engender a false sense of security. According to the 2010 NSDUH, 7.0 million people aged 12 or older used prescription-type psychotherapeutic drugs for non-medical reasons during the past month. This estimate is similar to estimates in 2009 and 2002. Also in 2010, 2.0 million people aged 12 or older used non-medical pain relievers for the first time. Along with marijuana and cocaine, pain relievers were one illicit drug that had the highest level of past year dependence or abuse in 2010. The number of persons with pain reliever dependence or abuse increased from 1.5 million in 2002 to 1.9 million in 2010.¹⁷

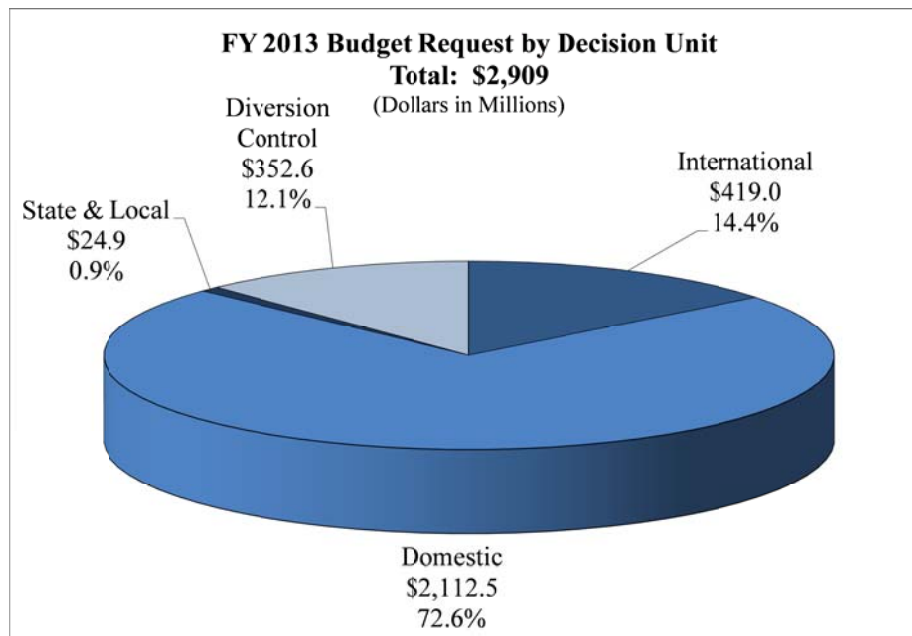
Individual users can easily acquire prescription drugs through a variety of means. Historically, most diversion of legitimate controlled substances occurred at the retail level as a result of illegal prescribing, prescription forgery, or doctor shopping. Today, many of the diverted prescription drugs can be traced to pain clinics in Florida, Houston, and Los Angeles, where illegal schemes are flourishing and operating under the guise of providing “pain management”, but whose real activities are outside the scope of professional practice and for no legitimate medical purposes. Over recent years, South Florida has become the “pill mill” capital of the United States, being the chief supplier of oxycodone that hastened an epidemic of illegal use throughout the United States. Oxycodone has flowed by the millions through rogue pain management clinics that opened up almost daily throughout the state of Florida.

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. The following chart reflects all DEA resources including the Salaries and Expenses and Diversion Control Fee Accounts, plus \$505.5 million in reimbursable resources:¹⁸

¹⁷ “Results from the 2010 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2011.

¹⁸ The main sources of DEA reimbursable funding are OCEETF, the Asset Forfeiture Fund (AFF), and other DOJ accounts.



This request is designed to support DEA's strategic focus areas. It also 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 are requested in support of DOJ Strategic Goal 1, Objective 1.1 and Strategic Goal 2, Objectives 2.1 and 2.3. Detailed justifications for the decision units and program changes are provided in Sections IV through VI.

For FY 2013, approximately 73 percent of DEA's budgetary resources (including \$475.3 million in reimbursable funds to support OCDETF investigations, task force operations and training) are associated with Domestic Enforcement, 14 percent with International Enforcement (including \$11 million in reimbursable funds primarily associated with foreign national training, mentoring, and capacity building), one percent with State and Local Assistance (including \$19.2 million in reimbursable funds for coordinated operations), and 12 percent with the Diversion Control Fee Account. The domestic reimbursable funding includes an estimated \$191,894,000 from the Department's Asset Forfeiture Fund which will be used to fund law enforcement activities that lead to asset seizures. 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 2013. Additional details on resources and performance by decision unit are detailed in Section IV.

The costs of DEA's Diversion Control Program are funded through the Diversion Control Fee Account. By law DEA is required to set fees "at a level that ensures the full costs of operating the various aspect of that program". The current fee structure has been in place since November 2006. DEA anticipates publishing an updated fee rule in the Federal Register in March 2012.

Environmental Accountability

Every Federal agency is required by Presidential Executive Order to undertake initiatives to improve the management of natural resources and be good stewards of the environment. Federal agencies have been further charged with reducing their carbon footprint, reducing greenhouse gas emissions, and managing environmental priorities through a strategic sustainability plan. DEA's prime management tool for accomplishing Federal sustainability goals is the use of environmental management systems (EMSs).

Historically, DEA's mission has included a focus on environmental stewardship. Since 1990, the DEA Laboratory System has worked in concert with state and local law enforcement agencies to ensure the safe and environmentally conscious dismantlement of seized clandestine drug laboratories. In 2004, DEA initiated an EMS policy and began developing the agency's EMS structure for all facilities to use as a tool to incorporate environmental stewardship into daily business operations. As a result of Executive Order 13514, DEA incorporated sustainability and greenhouse gas emissions reductions into DEA's environmental agenda. In FY 2011, DEA focused on growing the existing EMS program and on supporting the DOJ Sustainability Program. DEA established required programs and assisted DOJ in meeting the OMB Sustainability/Energy Scorecard for Leadership in Environmental Energy and Economic Performance goals established by EO 13423 and 13514. Additionally, DEA participated in DOJ's Strategic Sustainability Performance Plan and DOJ's Climate Change Policy planning process. During the year, the first DEA Greenhouse Gas Inventory Report and associated Inventory Management Plan was completed and submitted to DOJ. This included preparing a FY 2008 baseline inventory and compiling the FY 2010 inventory. The DEA Inventory assisted DOJ in establishing the DOJ Greenhouse Gas baseline and developing the DOJ Greenhouse Gas reduction goals as required by EO 13514.

EMS programs have been established at a number of DEA facilities across the country. These programs are being used to integrate environmental accountability and sustainability into the day-to-day decision making process regarding operational activities. There are active EMSs at all DEA laboratories and at a number of DEA divisions and offices. EMSs throughout DEA have realized successes through reduced energy usage, lowered electricity rates, reduced potential for hazardous spills, improved green purchasing, and comprehensive recycling programs. In addition, agency plans have been developed and work groups have been established to specifically address green purchasing, fleet management, toxic and hazardous materials reduction, and for incorporating sustainability principles in facility/construction projects.

DEA remains committed to improving the management of our nation's resources, initiating EMS programs at five new offices during FY 2011, and by the end, EMS was integral to 28 separate sites. It is a growing program that affects all DEA employees and contractors. Eventually, it

will be integrated into all DEA divisions and offices. DEA also successfully audited and certified two additional appropriate facilities during FY 2011, bringing the total of number of appropriate facilities that have been declared in conformance to 15. Throughout the year, DEA EMS policies and procedures were updated to streamline DEA's EMS programs and adopt a risk management approach to evaluating facility environmental impacts. This greatly decreased the burden on DEA facilities and shifted the focus from planning and evaluating impacts to implementing actions to address the risks.

Many facilities with EMS programs have joined the Federal Electronics Challenge (FEC) to encourage electronic stewardship. DEA facilities have risen as leaders in this particular program area. In 2011, twelve DEA offices, a noted two more than last year, were awarded Federal Electronics Challenge (FEC) awards, presented by the Office of the Federal Environmental Executive and the U.S. Environmental Protection Agency and recognizing their efforts in electronics stewardship (three platinum level awards, seven silver and two bronze). DEA was awarded approximately 30 percent of the total FEC awards and the most of any Agency (three of the seven awarded) for the platinum level.

DEA's Environmental Stewardship Awards Program was developed in FY 2011, and the inaugural awards presentation was held on Earth Day 2011. The DEA Environmental Stewardship Awards recognize three levels of awards: the DEA Environmental Stewardship Award, the DEA Environmental Management System Award, and the DEA Environmental Champion Award. Overall DEA recognized eight award winners during the awards presentation. As a result, DEA submitted four award nominations for the 2011 GreenGov Presidential Awards Program. In addition, DEA developed the Environmental Achievement Award which is presented for individual contributions throughout the year. DEA awarded 56 Environmental Achievement Awards this year.

In FY 2009, two DEA facilities with active EMS programs, the Aviation Division and the South Central Laboratory, spearheaded the effort to purchase 10 percent of their electricity from renewable sources. When their new GSA contract was negotiated, it was specified that 10 percent of the energy must come from renewable sources, in this case wind power. These facilities continued to purchase renewable energy in FY 2010 and FY 2011. In addition, the EMS team implemented energy efficient measures such as installing large fans in the aviation hanger to augment and enhance the facility HVAC system.

DEA continued to promote environmental stewardship and sustainability throughout the Agency by providing environmental awareness information during the entire year. DEA published a monthly "Green Note", maintained the DEA EMS website on DEA's intranet, and responded to numerous inquiries from DEA employees to increase environmental awareness and facilitate communications across DEA. To celebrate Earth Day, DEA conducted a week-long DEA Earth Day awareness campaign and celebration to raise environmental awareness among DEA employees that culminated in an Earth Day Green Fair on April 22, 2011. In addition, the campaign included an environmental speaker panel that featured DEA's green initiatives and operations and a DEA-wide Go-Green Video contest. DEA also conducted an Energy Awareness Month Campaign in October and an America Recycles Day Event in November.

During FY 2011, DEA completed and submitted DEA's Energy Independence and Security Act (EISA) report and completed one of the required EISA facility energy audits to support DOJ's energy conservation goals. DEA also revised the Hazardous Waste Management Chapter of the DEA Laboratory Operations Manual to align DEA laboratory policy with Federal and state regulations. Additionally, annual hazardous waste training was developed and provided to the DEA laboratories to ensure compliance with environmental laws and regulations at the laboratories.

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 in FY 2013:

- While progress is expected through DEA's participation in the recently established Department-wide Domestic Communications Assistance Center (DCAC) led by the FBI to address the growing technological gap between law enforcement's electronic surveillance capabilities and the number and variety of communications devices available to the public, the foremost challenge confronting U.S. law enforcement is the diminishing ability to conduct lawful electronic intercepts on current and emerging communications technologies as communications providers continue to offer new and improved services and features to customers. Addressing this issue is critical to maintain law enforcement's ability to conduct lawful criminal intercepts.
- 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.
- DEA has utilized resources of the Community Oriented Policing Services (COPS) to provide assistance to state and local law enforcement for the cleanup of seized methamphetamine laboratories and to expand the Authorized Central Storage (ACS) Program to additional states.
- The smuggling, money remittance, and communications infrastructures utilized by international drug and chemical trafficking organizations will continue to provide an operational model that can be readily exploited by terrorist organizations.
- Source and transshipment countries such as Afghanistan and the continent of Africa continue to affect the world, and albeit indirectly, the United States. Even if these drugs do not reach the U.S., the proceeds from these drugs sustain the drug trafficking and terrorist organizations, fuel the next round of drug production, and further corrupt and destabilize emerging economies and democracies.

- Corruption of foreign officials 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.
- 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.
- Efforts to justify the legalization of marijuana continue to increase. Keeping drugs illegal reduces their availability and lessens their social acceptance. Legalizing drugs would increase accessibility and encourage promotion and acceptance of use. Diagnostic, laboratory, clinical, and epidemiological studies clearly indicate that marijuana use is associated with dependence, respiratory and mental illness, poor motor performance, and cognitive impairment, among other negative effects.
- Changes in laws could affect the closed system of distribution and allow distribution of foreign-sourced controlled substances.
- Continued growth in the abuse of legitimate controlled substances could replace or supplement illicit drugs.
- Enhancing career development opportunities to ensure effective succession planning in DEA's leadership, since 55 percent of DEA's Senior Executives became retirement eligible at the end of FY 2011.
- Complete and timely sharing of information and intelligence with law enforcement and Intelligence Community partners.
- Strengthening existing partnerships and building new ones with Federal, state, local, and international counterparts.

II. Summary of Program Changes

Item Name	Description				Page
		Pos.	FTE	Dollars (\$000)	
Increase On-board Staffing	DCFA base adjustment to fill 87 existing, vacant positions	0	0	\$8,034	81
TDS Task Force Officers and Contractors	DCFA base adjustment to add state and local task force officers and administrative contractors to Tactical Diversion Squads	0	0	\$6,198	83
IT Savings	Department-wide collaboration on IT contracting	0	0	-\$3,275	85
Hollow Position/FTE Reduction	Elimination of vacant positions	-164	-164	\$0	87
Administrative and Operational Efficiencies	Administrative and operational savings and efficiencies	0	0	-\$19,759	89

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III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

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, [\$2,025,000,000] \$2,050,904,000; of which not to exceed \$75,000,000 shall remain available until expended and not to exceed \$90,000 shall be available for official reception and representation expenses.

CANCELLATION

Of the unobligated balances from prior year appropriations available under this heading, \$15,600,000 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.(Department of Justice Appropriations Act, 2012.)

CONSTRUCTION

[For necessary expenses, to include the cost of equipment, furniture, and information technology requirements, related to construction or acquisition of buildings and of the operation and maintenance of secure work environment facilities and secure networking capabilities, \$10,000,000, to remain available until expended.] (Department of Justice Appropriations Act, 2012.)

Analysis of Appropriations Language

The FY 2013 request includes a \$15.6 million cancellation of prior year unobligated balances. No new construction funding is requested for FY 2013.

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IV. Decision Unit Justification

A. International Enforcement

<i>International Enforcement</i>	Perm. Pos.	FTE	Amount (\$000)
2011 Enacted	1,074	1,030	\$406,365
2012 Enacted	1,074	1,030	417,670
Adjustments to Base and Technical Adjustments	0	0	-727
2013 Current Services	1,074	1,030	416,943
2013 Program Increases	0	0	0
2013 Program Offsets	0	0	-8,949
2013 Request	1,074	1,030	407,994
Total Change 2012-2013	0	0	-\$9,676

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 CPOTs, 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 listed 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.

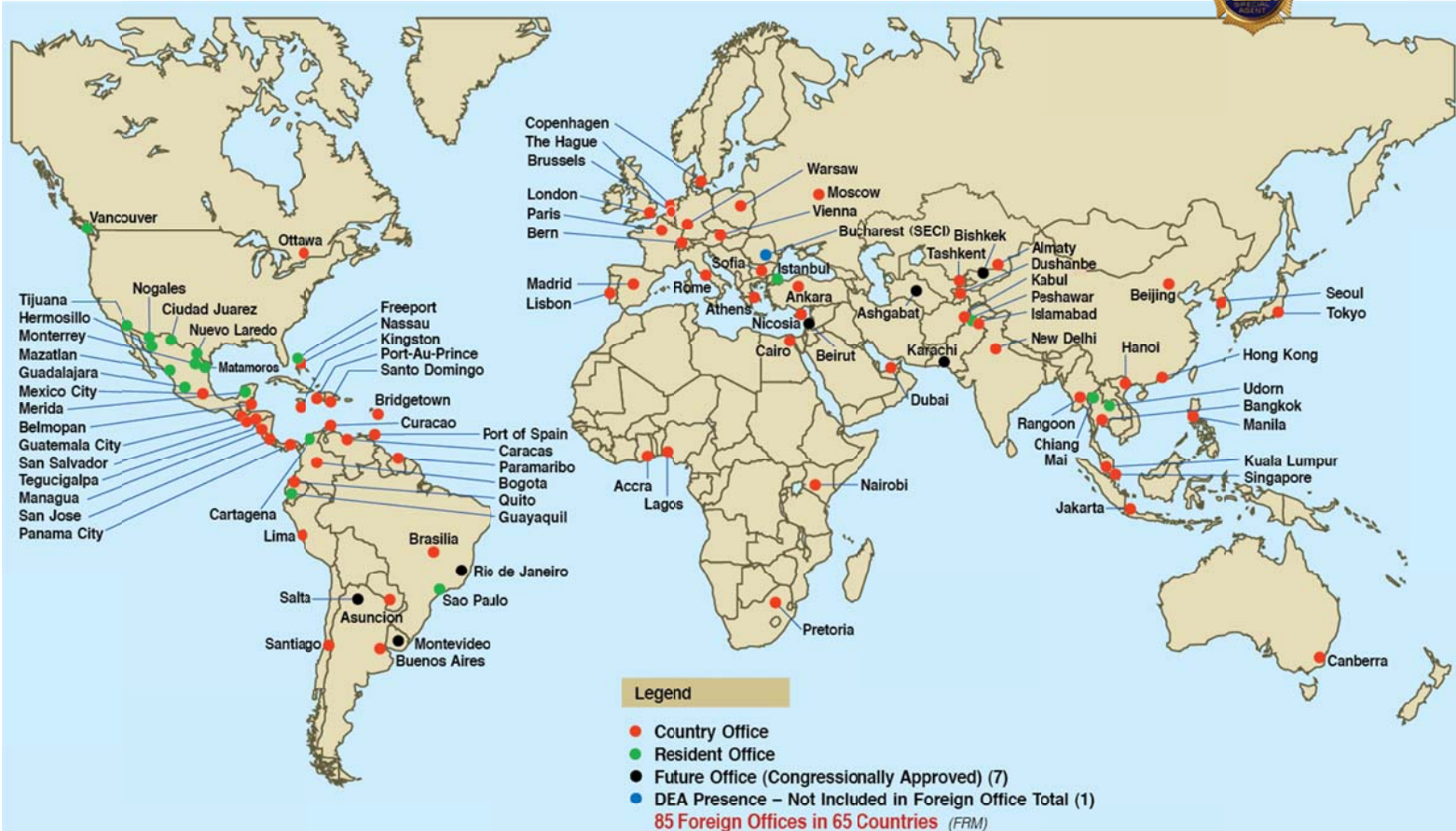
To attack the vulnerabilities of major international drug and chemical trafficking organizations, DEA is working to strengthen partnerships with its international law enforcement counterparts worldwide. With the Drug Flow Attack Strategy (DFAS), DEA has implemented an innovative, multi-agency strategy, designed to significantly disrupt the flow of drugs, money, and listed 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. In addition to collaboration with its foreign counterparts, significant international enforcement

efforts require coordination with DEA's domestic offices. Overall, this strategy promotes the security of our nation and its borders. These operations act as a forward defense of the U.S. by interdicting the flow of illegal drugs and the traffickers who smuggle them before they reach Mexico or the Southwest border. They target the command and control structures of foreign-based drug trafficking organizations responsible for violence in Mexico's border areas where they extend across our frontiers and operate in the U.S.

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. As a result, foreign law enforcement agencies welcome the expertise and enhanced capabilities of DEA. Therefore, DFAS will have a broader impact on the drug flow into the U.S. and will augment U.S. efforts against terrorism by depriving criminal organizations of drug proceeds that could be used to fund terrorist acts. DEA's primary role in Afghanistan is to work with host nation and regional counterparts to train and mentor Afghanistan counternarcotics police, and build Afghan capacity to enable them to ultimately identify, investigate, and bring to justice the most significant drug traffickers in Afghanistan and the region on their own.

DEA Foreign Offices

U.S. Department of Justice
Drug Enforcement Administration



DEA Map 2 Revised 12-2011

DEA.GOV / OFFICE LOCATIONS

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2. Performance and Resource Tables

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: International Enforcement											
DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Strategic Objective 1.1: Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur											
WORKLOAD/ RESOURCES		Final Target		Actual		Enacted		Changes		Requested (Total)	
		FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Workload Measure	Active Foreign PTOs Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia Regions	††		9		††		-		††	
Workload Measure	Active Foreign PTOs Not Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia Regions	††		57		††		-		††	
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
		146	\$61,486 [\$0]	146	\$61,486 [\$0]	146	\$61,486 [\$0]	(2)	(\$222) [\$0]	144	\$61,264 [\$0]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2011		FY 2011		FY 2012 Enacted		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Program Activity	International Operations	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		146	\$61,486 [\$0]	146	\$61,486 [\$0]	146	\$61,486 [\$0]	(2)	(\$222) [\$0]	144	\$61,264 [\$0]
Performance Measure	Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	††		0/0		††		-		††	
Performance Measure	Foreign PTOs Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	††		20/3		††		-		††	
†† DEA does not target its performance in the Middle East, Central Asia and Southwest Asia. This area of the world poses significant operational risks and challenges to DEA personnel making it difficult to conduct enforcement operations on a consistent basis. DEA cannot unilaterally investigate and arrest high-level drug traffickers in the foreign arena so DEA's success is contingent upon host nation law enforcement cooperation to include intelligence sharing and participation. Also, some countries, for example, Afghanistan, currently lack self-sustaining counternarcotics police institutions and effective criminal justice systems to adequately address counter drug efforts. Therefore, it is extremely challenging to project anticipated performance.											

PERFORMANCE AND RESOURCES TABLE con't										
Decision Unit: International Enforcement										
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law										
Strategic Objective 2.3: Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs										
WORKLOAD/ RESOURCES		Final Target		Actual		Enacted		Changes		Requested (Total)
		FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request
Workload Measure	Active PTOs Linked to CPOT Targets ¹	125		111		120		-		120
Workload Measure	Active PTOs Not Linked to CPOT Targets ¹	310		264		320		-		320
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
		885	\$344,879 [\$11,001]	885	\$344,879 [\$11,001]	885	\$356,184 [\$11,001]	2	(\$9,454) [\$0]	887 \$346,730 [\$11,001]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2011		FY 2011		FY 2012 Enacted		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request
Program Activity	International Operations	FTE	\$000	FTE	\$000	FTE \$000		FTE	\$000	FTE \$000
		885	\$344,879 [\$11,001]	885	\$344,879 [\$11,001]	885	\$356,184 [\$11,001]	2	(\$9,454) [\$0]	887 \$346,730 [\$0]
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled ²	40/20		35/17		40/20		-		40/20
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ²	110/60		99/73		110/60		-		110/60
Performance Measure	Number of International Students Trained ³	2,300		2,769		2,300		538		2,838
Outcome	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁴	\$3 Billion		\$2.88 Billion		\$2.85 Billion		(\$50 million)		\$2.80 Billion
¹ Reflects active PTO investigations as of the end of the specified fiscal year.										
² FY 2011, 2012 and 2013 targets for PTOs Linked and Not Linked to CPOT Targets have been adjusted since the enactment of the FY 2012 budget submission to better reflect DEA's utilization of foreign resources and enforcement activities which will have a direct impact on DEA's performance in the foreign arena. Note: PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).										
³ The FY 2013 target is comprised of the projected number of International Students Trained (2,300) by DEA's International Training Section (TRI) and the Afghan National Interdiction Unit (NIU) members trained (538). The authorized ceiling of the Afghan NIU was recently increased to 538 which is reflected in the FY 2013 projection. DEA FAST anticipates providing on-the-job training and mentoring for the NIU; however, NIU membership will continue to fluctuate as a result of various factors.										
⁴ Agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).										

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.

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 Global 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 migrated to new Managerial Cost Accounting software at the end of FY 2011. This new software will allow the agency to capture actual full costs of investigating, disrupting, and dismantling PTOs in a Business Intelligence (BI) environment. DEA is also migrating to an integrated payroll and time management system, WebTA, in FY 2012 that will capture work activities for all DEA employees and not just core personnel.

PERFORMANCE MEASURE TABLE												
Decision Unit: International Enforcement		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011		FY 2012	FY 2013
Performance Report and Performance Plan Targets		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Foreign PTOs Linked to CPOT's Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	N/A	N/A	N/A	0/1	0/2	5/1	1/0	††	0/0	††	††
Performance Measure	Foreign PTOs Not Linked to CPOT's Disrupted/Dismantled in the Middle East, Central Asia	N/A	N/A	N/A	1/2	2/4	4/2	6/3	††	20/3	††	††
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled	12/3	12/8	17/9	22/9	39/20	38/21	53/21	40/20	35/17	40/20	40/20
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	27/10	29/15	36/26	59/27	103/54	118/53	121/47	110/60	99/73	110/60	110/60
Performance Measure	Number of International Students Trained ¹	2,582	2,384	2,954	2,575	2,453	4,506	5,252	2,300	2,769	2,300	2,838
OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied)	N/A	N/A	N/A	N/A	N/A	\$3.4 Billion	\$3 Billion	\$3 Billion	\$2.88 Billion	\$2.85 Billion	\$2.80 Billion
†† DEA does not target its performance in the Middle East, Central Asia and Southwest Asia. This area of the world poses significant operational risks and challenges to DEA personnel making it difficult to conduct enforcement operations on a consistent basis. DEA cannot unilaterally investigate and arrest high-level drug traffickers in the foreign arena so DEA's success is contingent upon host nation law enforcement cooperation to include intelligence sharing and participation. Also, some countries, for example, Afghanistan, currently lack self-sustaining counternarcotics police institutions and effective criminal justice systems to adequately address counter drug efforts. Therefore, it is extremely challenging to project anticipated performance.												
¹ The FY 2013 target is comprised of the projected number of International Students Trained (2,300) by DEA's International Training Section (TRI) and the Afghan National Interdiction Unit (NIU) members trained (538). The authorized ceiling of the Afghan NIU was recently increased to 538 which is reflected in the FY 2013 projection. DEA FAST anticipates providing on-the-job training and mentoring for all NIU members; however, NIU membership will continue to fluctuate as a result of various factors.												

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3. Performance, Resources, and Strategies

Pursuant to the Department of Justice Strategic Plan for FY 2012 – 2016, DEA's International Enforcement Decision Unit contributes to its DOJ Strategic Goals as follows:

DOJ Goal 1: "Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law." Within this Goal, DEA resources specifically address DOJ's Strategic Objective 1.1: "Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur."

DOJ Goal 2: "Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law." Within this Goal, DEA resources specifically address DOJ's Strategic Objective 2.3, "Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs."

a. Performance Plan and Report for Outcomes

Strategic Objective 1.1 – Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur

DEA's Counterterrorism Efforts

DEA has developed two measures related to counterterrorism activities. These measures are included under DOJ's Strategic Goal 1 on the Performance and Resources Table. The nexus that exists between terrorism and drug trafficking organizations necessitates that DEA engage in proactive enforcement and intelligence gathering operations with its host nation law enforcement counterparts by targeting the command and control structure of drug trafficking organizations operating in the Middle East, Central Asia, and Southwest Asia. DEA recognizes that a strong collaborative partnership with international partners is an essential element of a comprehensive drug control strategy and is critical to significantly reducing transnational crime, including narco-terrorism. The performance measures associated with DEA's counterterrorism activities are the following:

- Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions.
- Foreign PTOs Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions.

As of September 30, 2011, DEA did not disrupt or dismantle any foreign PTOs linked to CPOTs in the Middle East, Central Asia and Southwest Asia. However, DEA disrupted 20 and dismantled 3 foreign PTOs not linked to CPOTs in this region of the world.

Since DEA began reporting measures associated with international counterterrorism activities in extremely hostile areas of the world, targets have not been established. Therefore, DEA has not established targets for FYs 2011, 2012 and 2013 for disrupting and dismantling foreign PTOs linked and not linked to CPOTs in the Middle East, Central Asia and Southwest Asia. This area of the world poses significant operational risks and challenges to DEA personnel, which makes it difficult to conduct enforcement operations on a consistent basis. DEA cannot unilaterally

investigate and arrest high-level drug traffickers in the foreign arena, making success contingent upon host nation law enforcement cooperation to include intelligence sharing and participation and the support of U.S. foreign assistance programs. Also, some countries, for example, Afghanistan, currently lack self-sustaining counternarcotics police institutions and effective criminal justice systems to adequately address counter drug efforts. All of the abovementioned factors make it extremely challenging to project anticipated performance.

DEA will continue to focus on its counterterrorism efforts by maximizing resources in FY 2013. For example, the Foreign Assistance Support Teams (FAST) program is one of the many tools used by DEA to disrupt and dismantle foreign PTOs in Afghanistan. FAST, in conjunction with Afghan law enforcement officers, have successfully infiltrated terrorist cells, seized explosives and munitions, thwarted numerous attacks on U.S. and Coalition Forces and obtained evidence in Afghanistan that resulted in the first conviction in the U.S. under the Title 21 USC 960a drug-related terrorism law. One FAST terrorist-linked operation resulted in the largest seizure of narcotics in history, over 240 metric tons of hashish and the denial of millions of dollars of revenue to a Taliban Commander in Afghanistan.

Strategic Objective 2.3 – Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs

Although DEA is involved in counterterrorism, DEA's primary mission is drug enforcement and DEA's long-term goal is to maximize the Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied).

Drug Trafficker Revenue Denied

DEA's current long-term objective is to maximize the Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied). Drug Trafficker Revenue Denied reflects the outcome of activities scored to DEA's International, Domestic and State and Local Decision Units. DEA was responsible for denying \$2.88 billion in Drug Trafficker Revenue in FY 2011. In FY 2012 and FY 2013, DEA is reducing its annual targets to \$2.85 billion and \$2.8 billion, respectively.

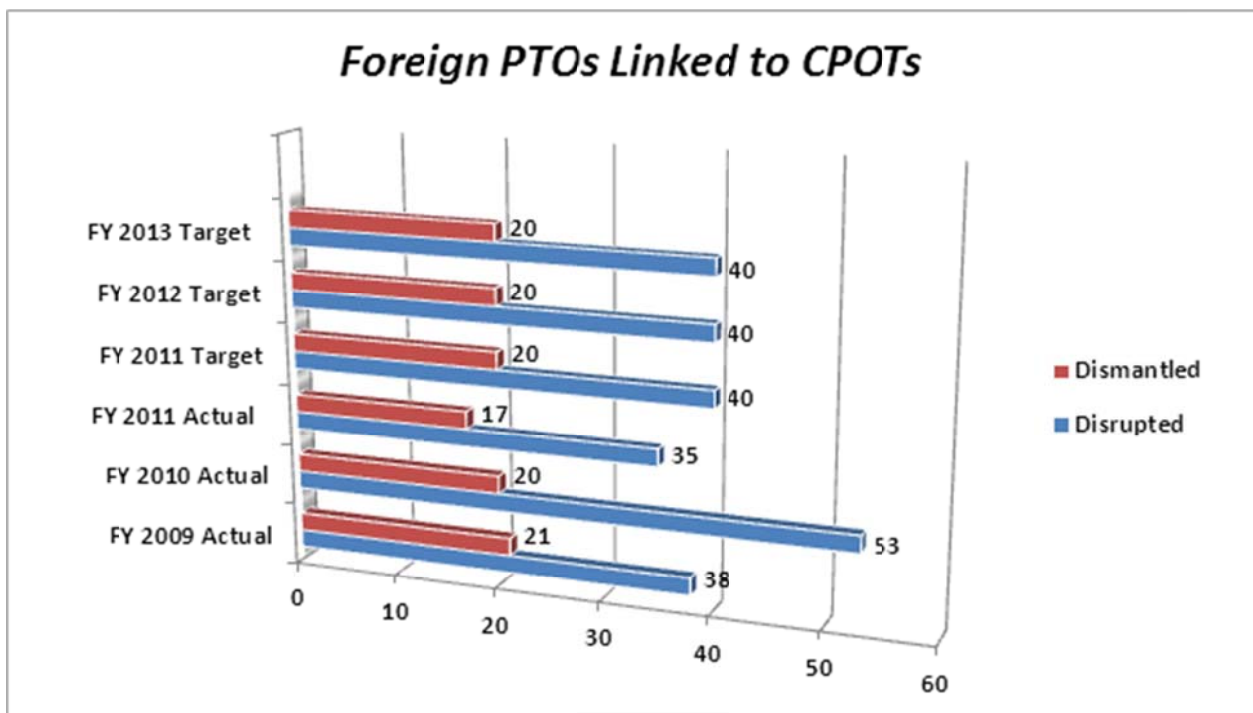
Priority Targeting Program

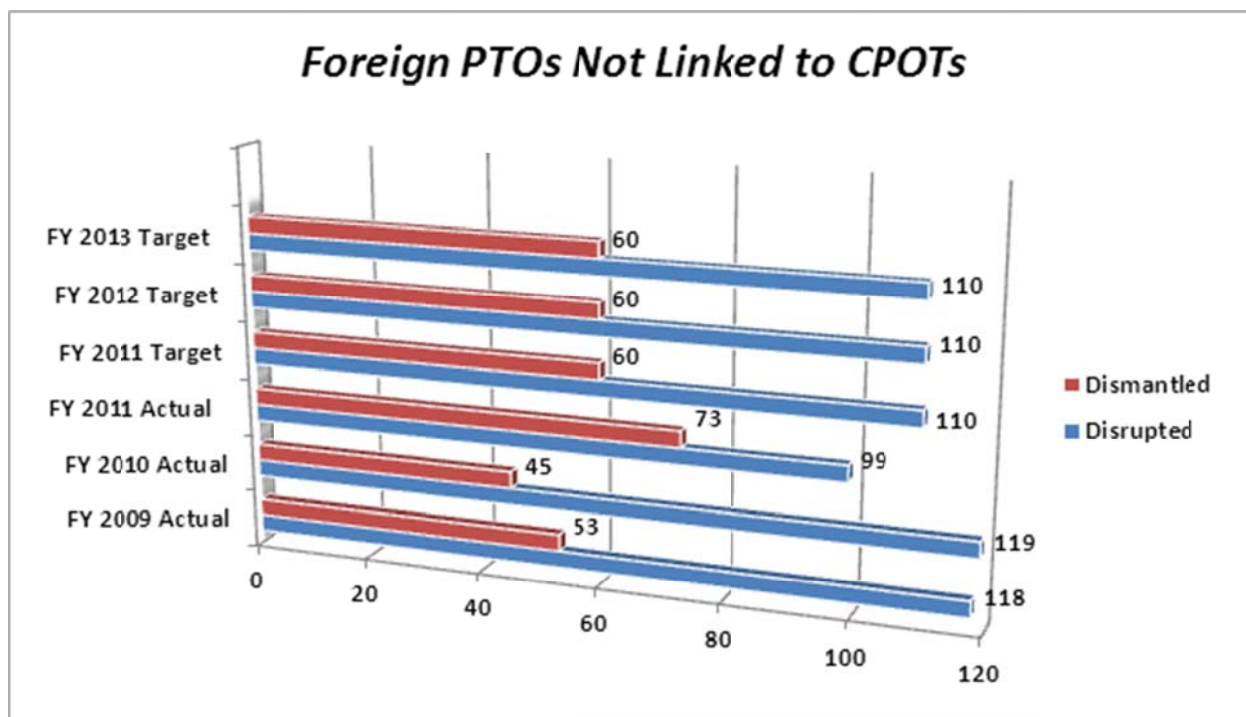
DEA's international investigative efforts focus primarily on CPOT-linked targets. The objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible and the source of the drug is eliminated. The disruption or dismantlement of CPOT-linked organizations 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 enforcement-related performance measures on the Performance and Resources Table relate to DEA's flagship Priority Targeting Program and are the following:

- PTOs Linked to CPOT Targets Disrupted or Dismantled
- PTOs Not Linked to CPOT Targets Disrupted or Dismantled

As of September 30, 2011, DEA disrupted 35 and dismantled 17 PTOs linked to CPOTs. DEA also disrupted 99 and dismantled 73 PTOs not linked to CPOTs. As a result of numerous external variables that DEA's workforce is faced with in the foreign arena, it is difficult to predict or comprehensively assess actual versus targeted performance. These external challenges appear to consistently lead to fluctuations in DEA's overall performance in the foreign arena despite DEA's efforts to reallocate resources to regions where they are needed most. However, in spite of these challenges, DEA will continue to work to achieve all PTO targets established for FYs 2012 and 2013.





The current emerging drug trafficking trends necessitate 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. DEA will continue to coordinate PTO investigations with its foreign counterparts and DEA domestic offices and focus on achieving the targets established for FY 2013. DEA will also work to sustain and strengthen partnerships with its foreign counterparts to attack the vulnerabilities of major international drug and listed chemical trafficking organizations, including those that fund terrorism. DEA's foreign PTO performance targets for FYs 2011, 2012 and 2013 reflect DEA's current utilization of foreign resources and enforcement activities, which have a direct impact on DEA's performance in the foreign arena.

International Training

The effectiveness of DEA's international enforcement efforts is also measured by the number of DEA-sponsored international training courses conducted and participants trained. DEA's international training efforts are also prevalent and influential in Afghanistan through the FAST Program. The third drug enforcement-related performance measure included on the Performance and Resources Table is the following:

- Number of International Students Trained

As of September 30, 2011, DEA trained a total of 2,769 foreign law enforcement participants. This number is comprised of the 2,269 international participants trained by DEA's International Training Section (TRI) and 500 vetted foreign law enforcement officers from the Afghan National Interdiction Unit (NIU) who received tactical and operational training provided by DEA FAST agents in Afghanistan.

International Training Program

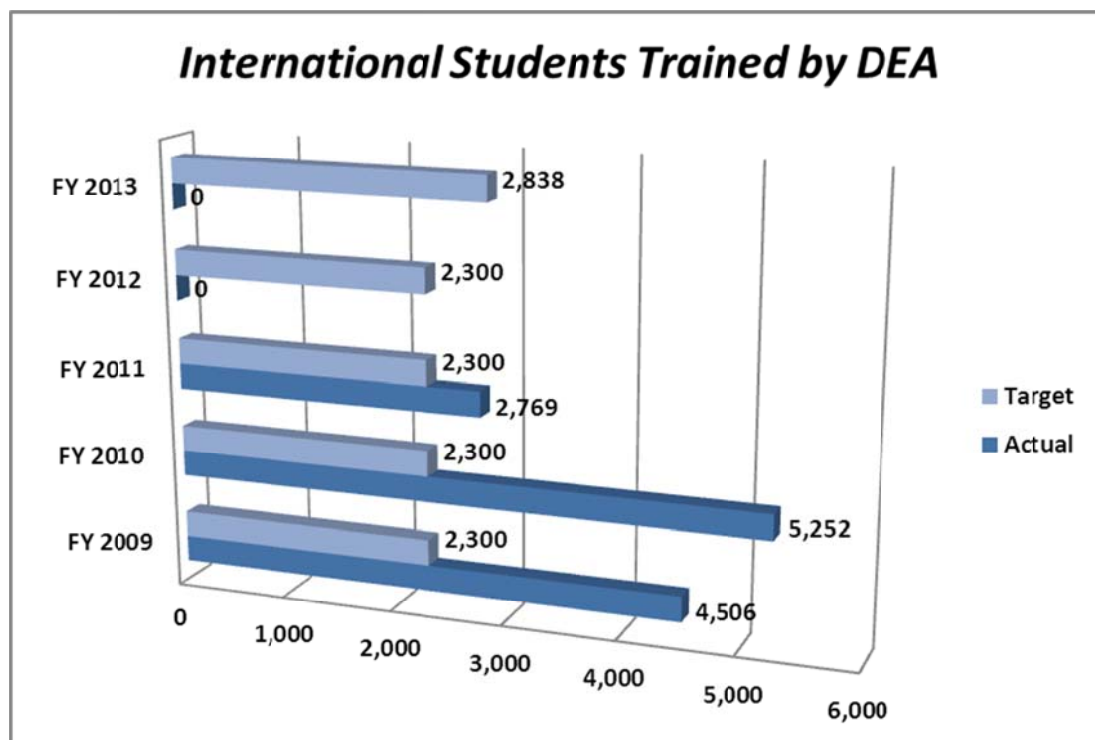
DEA's International Training Program, with funding from the Department of State's Bureau of International Narcotics and Law Enforcement (INL) and the Department of Defense (DoD), serves as a model for a variety of international law enforcement training efforts. DEA also serves as an international consultant to law enforcement agencies as well as foreign governments seeking to develop quality narcotics law enforcement programs.

DEA's International Training Section offers both in-country and regional training programs conducted by mobile training teams. In-country programs are seminars conducted in a host country and only include participants from that country. Regional training is designed to bring together a combination of participants from a number of countries sharing common drug trafficking issues. The specific courses offered by DEA's International Training Section are continually changing as new curricula are developed and instituted in response to experiences, changes in law enforcement emphasis, current international narcotics trafficking situations, new technologies, and specific requests from host nation governments. DEA anticipates meeting its FY 2013 target of 2,300 international students trained by DEA's International Training Section. DEA established a target for FY 2013 based upon the majority of DEA's international training seminars being funded by INL and DoD. Therefore, the number of international students trained is contingent upon the availability of INL and DoD funding. In FY 2009, DEA received \$945,608 from INL and \$425,667 from DoD. In FY 2010, DEA received \$569,015 from INL and \$221,608 from DoD. As of September 30, 2011, DEA received \$613,136 from INL and \$378,691 from DoD to conduct international training seminars during FY 2012.

FAST Program

As of September 30, 2011, DEA FAST special agents trained and mentored an estimated 500 members of the NIU. Afghan law enforcement officers receive on-the-job mentoring and law enforcement tactical and operational training from DEA FAST special agents. Selected NIU officers are chosen by the DEA Kabul Country Office to deploy with FAST during Afghan and International Allied Security Forces (ISAF) approved and coordinated counter narcotics operations where they gain operational experience while closely partnered with their DEA counterparts.

In FY 2013, DEA FAST anticipates providing on the job mentoring and law enforcement tactical and operational training for 538 NIU members on a rotational basis and through partnership in field operations. DEA will continue to its Afghanistan resources in FY 2013 to train, mentor and build the capacity of the Afghan counternarcotics police, while supporting and developing the NIU so that it will become a highly effective and ultimately independent counternarcotics unit.



b. Strategies to Accomplish Outcomes

In FY 2013, DEA will continue to maximize its resources to pursue the following strategic objectives associated with DEA's International Enforcement efforts:

Provide an operational focus that ensures long-term investigations against significant international drug and chemical trafficking organizations and their major affiliates or facilitators, including organizations that use drug trafficking proceeds to fund terror.

- ❖ Disrupt the flow of drugs, money, and listed chemicals between the source, transit zones and the United States by executing the DFAS.
- ❖ Concentrate DEA's investigative efforts on major international drug and chemical trafficking organizations and their affiliates.
- ❖ Target high-level drug trafficking organizations with terrorist links through the FAST program and continue to support the Afghan Threat Finance Cell (ATFC).
- ❖ Increase investigations to include financial investigations of organizations that use drug trafficking proceeds to fund terror.
- ❖ Develop and utilize strategies to track and seize illicit shipments of listed chemicals thereby reducing the diversion of these chemicals or the drugs produced by these chemicals from reaching the U.S.
- ❖ Enhance recruitment of confidential sources for investigations.

- ❖ Work through host nation Sensitive Investigative Units (SIUs) to target the most significant drug trafficking organizations impacting the United States.
- ❖ Utilize SOD to conduct multi-national, multi-agency coordinated investigations addressing major drug trafficking organizations operating at the international level.
- ❖ Work with partner nations and Organization of American States/Inter-American Drug Abuse Control Commission (OAS/CICAD) to strengthen counterdrug institutions in the Western Hemisphere.
- ❖ Promote collective targeting between foreign countries to target traffickers operating in multiple countries.
- ❖ Optimize the use of DEA's Aviation Division.

<p><i>Collect, analyze, and disseminate intelligence that drives international enforcement operations.</i></p>

- ❖ Provide intelligence support by collecting, analyzing, and evaluating intelligence derived from worldwide multi-agency elements.
- ❖ Capitalize on the wide range of investigative resources available through DEA's intelligence program.
- ❖ Improve knowledge of the vulnerabilities of international drug trafficking organizations.
- ❖ Enhance coordination of targeted investigations.
- ❖ Collect timely outcome data to determine whether DEA investigations are effective.
- ❖ Improve methodologies of exploitation of telecommunications data and interception of telecommunications and computer technologies.
- ❖ Continue to use the Central Tasking Management System to enhance intelligence collection and analysis.
- ❖ Encourage the exchange of intelligence information related to drugs and precursor chemicals between foreign governments to increase conviction of international drug traffickers and drug-related terrorists.

<p><i>Continue DEA's leadership role in international drug and chemical enforcement programs.</i></p>
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- ❖ Assess and link PTOs from distribution cells, through transportation networks and ultimately to the international sources of supply.
- ❖ Promote cooperation among all domestic and foreign agencies involved in international drug and chemical enforcement programs.
- ❖ Continue to provide leadership internationally in chemical control and enforcement through multilateral, cooperative programs.
- ❖ Facilitate several conferences, including the International Drug Enforcement Conference (IDEC), which brings senior level international law enforcement officers together to develop coordinated actions against international drug traffickers and terrorist organizations.

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

- ❖ Expand DEA efforts and support to host nation counterparts for increased financial investigations through training and joint investigations.
- ❖ Support institution building in source countries to sustain progress against illicit drug production and trafficking.
- ❖ Identify and gather documentation/support for host nation legislation that will assist DEA in its role to dismantle drug trafficking organizations and their financial affiliates.
- ❖ Strengthen strategic partnerships to effect the necessary policy changes to monitor and eliminate the illicit flow of drugs and chemicals with nations such as Africa, Colombia, Mexico, and other governments involved in the IDEC.
- ❖ Continue to partner with the governments in Central America and Mexico through the Merida Initiative.
- ❖ Vet, train, and provide equipment to SIUs in countries where they are congressionally mandated in support of daily operations and personnel recovery.
- ❖ Enhance operations in the Middle East, Central Asia and Southwest Asia to lead and coordinate drug enforcement operations specifically in Afghanistan and Pakistan, two countries in which the drug trade fuels corruption and terrorism.
- ❖ Administer international training in basic and specialized investigative techniques to host nation counterparts, and support International Law Enforcement Academies through the Bureau for International Narcotics and Law Enforcement Affairs.

B. Domestic Enforcement

<i>Domestic Enforcement</i>	Perm. Pos.	FTE	Amount (\$000)
2011 Enacted	7,294	7,256	\$1,603,678
2012 Enacted	7,199	7,161	1,601,690
Adjustments to Base and Technical Adjustments	57	57	49,570
2013 Current Services	7,256	7,218	1,651,260
2013 Program Increases	0	0	0
2013 Program Offsets	-164	-164	-14,081
2013 Request	7,092	7,054	1,637,179
Total Change 2012-2013	-107	-107	\$35,489

1. Program Description

The Domestic Enforcement Decision Unit comprises the majority of DEA's investigative and support personnel and budgetary resources. These personnel and 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 networks, 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 divisions. The following are the most significant 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, also known as Priority Targets. Specifically, DEA domestic field divisions focus their investigative efforts on

Priority Targets with a direct connection to DOJ's CPOTs, which include the most significant international command and control organizations threatening the United States as identified by the Organized Crime and Drug Enforcement Task Force (OCDETF) member agencies. The efforts to disrupt or dismantle Priority Targets and those 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.

DEA's Special Operations Division (SOD)

SOD is a multi-agency investigative operation that exploits the communications apparatus, structures, and networks associated with drug trafficking, money laundering, and criminal enterprise organizations and identifies essential links that enable law enforcement to pursue relevant investigations. SOD supports domestic enforcement by providing vital information for investigative and enforcement activities 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.

In order to achieve efficiencies in the Department's drug law enforcement activities and achieve operational and financial efficiencies, the Department is currently working to realign functions and close the National Drug Intelligence Center (NDIC) in Johnstown, PA. The Department is

reassigning core NDIC functions to DEA's intelligence program. The Department is transferring 57 personnel and associated resources to DEA to continue Document and Media Exploitation (DOMEX) and high-priority strategic intelligence reporting. DEA will utilize an existing NDIC methodology that allows analysts to quickly process important information in documents and electronic media seized during drug raids to organize and assimilate significant amounts of evidence to reveal associations, assets, and methods of drug traffickers and assist in criminal investigations and prosecutions.

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 ensuring 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.

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2. Performance Tables

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Domestic Enforcement											
DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Strategic Objective 1.1: Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur											
WORKLOAD/ RESOURCES		Final Target		Actual		Enacted		Changes		Requested (Total)	
		FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Workload:	Number of Incoming Request for Information (RFI) from the Intelligence Community (IC)	350		829		400		300		700	
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
		65	\$14,606 [\$0]	65	\$14,606 [\$0]	65	\$14,674 [\$0]	0	\$476 [\$0]	65	\$15,150 [\$0]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Program Activity	National Security Intelligence	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		65	\$14,606 [\$0]	65	\$14,606 [\$0]	65	\$14,674 [\$0]	0	\$476 [\$0]	65	\$15,150 [\$0]
Performance Measure	Percentage of IC RFIs provided by requested deadline	100%		75%		100%		-		100%	

PERFORMANCE AND RESOURCES TABLE - Continued											
Decision Unit: Domestic Enforcement											
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Strategic Objective 2.1: Combat the Threat, Incidence, and Prevalence of Violent Crime											
Strategic Objective 2.3: Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs											
WORKLOAD/ RESOURCES		Final Target		Actual		Enacted		Changes		Requested (Total)	
		FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Workload	Active PTOs Linked to CPOT Targets ^{1, 3}	530		567		540		-		540	
Workload	Active PTOs Not Linked to CPOT Targets ^{1, 3}	2,300		2,171		2,100		(40)		2,060	
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
		8,501	\$1,589,072 [\$478,121]	8,501	\$1,589,072 [\$478,121]	8,406	\$1,587,016 [\$479,761]	(131)	\$35,013 [-\$4,477]	8,275	\$1,622,029 [\$475,284]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Program Activity	Domestic Enforcement	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		8,501	\$1,589,072 [\$478,121]	8,501	\$1,589,072 [\$478,121]	8,406	\$1,587,016 [\$479,761]	(131)	\$35,013 [-\$4,477]	8,275	\$1,622,029 [\$475,284]
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled ^{2, 3}	285/115		326/151		270/110		-		270/110	
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ^{2, 3}	1,340/600		1,295/665		1,300/580		(20/10)		1,280/570	
Performance Measure	# of Federal, State, and Local Law Enforcement Officers Trained ⁴	36,675		51,193		45,000		-		45,000	
OUTCOME	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁵	††		††		††		-		††	
†† See the International Enforcement Performance and Resources Table for related performance data.											
¹ Reflects active PTO investigations as of the end of the specified fiscal year.											
² PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).											
³ This does not include PTOs associated with DEA's Diversion Control Program.											
⁴ This performance activity and performance measure does not include State and Local Clandestine Laboratory Enforcement training.											
⁵ This is an agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).											

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 America'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: DEA is currently improving reporting systems that capture investigative work hours and cost data. DEA migrated to new Managerial Cost Accounting software at the end of FY 2011. This new software will allow the agency to capture actual full costs of investigating, disrupting, and dismantling PTOs in a Business Intelligence (BI) environment. DEA is also migrating to an integrated payroll and time management system, WebTA, in FY 2012 that will capture work activities for all DEA employees and not just core personnel.

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 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011		FY 2012	FY 2013
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Percentage of IC RFIs Provided by Requested Deadline	N/A	N/A	N/A	N/A	N/A	90%	85%	100%	75%	100%	100%
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled ^{1,2}	122/22	167/95	137/68	102/61	211/64	196/100	275/150	285/115	326/151	270/110	270/110
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ^{1,2}	298/180	460/317	584/367	751/400	1,109/487	1,009/591	1,054/690	1,340/600	1,295/665	1,300/580	1,280/570
Performance Measure	# of Federal, State, and Local Law Enforcement Officers Trained ³	33,358	40,810	40,236	41,252	46,982	55,371	56,921	45,000	51,193	45,000	45,000
OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁴	N/A	N/A	N/A	N/A	N/A	††	††	††	††	††	††
†† See the International Enforcement Performance and Resources Table for related performance data.												
¹ PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).												
² This does not include PTOs associated with DEA's Diversion Control Program.												
³ This performance activity and performance measure does not include State and Local Clandestine Laboratory Enforcement training.												
⁴ Agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).												

3. Performance, Resources, and Strategies

Pursuant to the Department of Justice Strategic Plan for FY 2012 – 2016, DEA's Domestic Enforcement Decision Unit contributes to its DOJ Strategic Goals as follows:

DOJ Goal 1: "Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law." Within this Goal, DEA resources specifically address DOJ's Strategic Objective 1.1: "Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur."

DOJ Goal 2: "Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law." Within this Goal, DEA resources specifically address DOJ's Strategic Objective 2.1 "Combat the Threat, Incidence, and Prevalence of Violent Crime", and Strategic Objective 2.3, "Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs."

a. Performance Plan and Report for Outcomes

Performance Narrative

Strategic Objective 1.1 – Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur

DEA's Counterterrorism Efforts

Currently, DEA has one performance measure related to its counter terrorism (CT) activities reflected under DOJ's Strategic Goal 1 on the Domestic Enforcement Performance and Resources Table. This measure is the Percentage of Intelligence Community (IC) Requests for Information (RFIs) provided by the requested deadline. DEA's performance is based on the number of RFIs generated by external agencies as well as the requested deadline. Because the requested deadline varies by requesting agency, DEA is not able to control its response time. For example, some agencies make unreasonable requests for information within the same day or within hours of the request. As a result, with a FY 2011 goal of 100% compliance, DEA reported that the percentage of IC RFIs provided by the requested deadline was 75% through September 30, 2011. Although DEA's FY 2012 and FY 2013 are 100% compliance, DEA plans to propose a new, replacement measure as part of its FY 2014 Budget Submission.

Strategic Objective 2.1 – Combat the Threat, Incidence, and Prevalence of Violent Crime

In support of the Department's Violent Crime Initiatives, on August 3, 2010, DEA and DOJ's Criminal Division entered into a Memorandum of Understanding (MOU). Pursuant to the terms of the MOU, DEA agreed to establish a partnership with the National Gang Targeting, Enforcement and Coordination Center (GangTECC) in order to enhance the combined abilities of the partner agencies to coordinate information and enforcement activities to disrupt and dismantle regional, national, and international gang threats. Specifically, DEA established an organizational partnership between SOD and GangTECC to make SOD resources available to GangTECC in order to enhance GangTECC capabilities, coordinate existing GangTECC cases/operations, assist in the initiation of new GangTECC cases and initiatives, and enhance the

investigations of regional, national, and international gang threats by providing substantial operational intelligence and targeting support.

Strategic Objective 2.3 – Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs

DEA's primary mission is drug enforcement and DEA's long-term goal is to maximize the Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied). Drug Trafficker Revenue Denied reflects the outcome of activities scored to DEA's International, Domestic and State and Local Decision Units.

Drug Trafficker Revenue Denied

Please refer to the discussion on Drug Trafficker Revenue Denied included in the International Enforcement Decision Unit narrative.

Priority Targeting Program

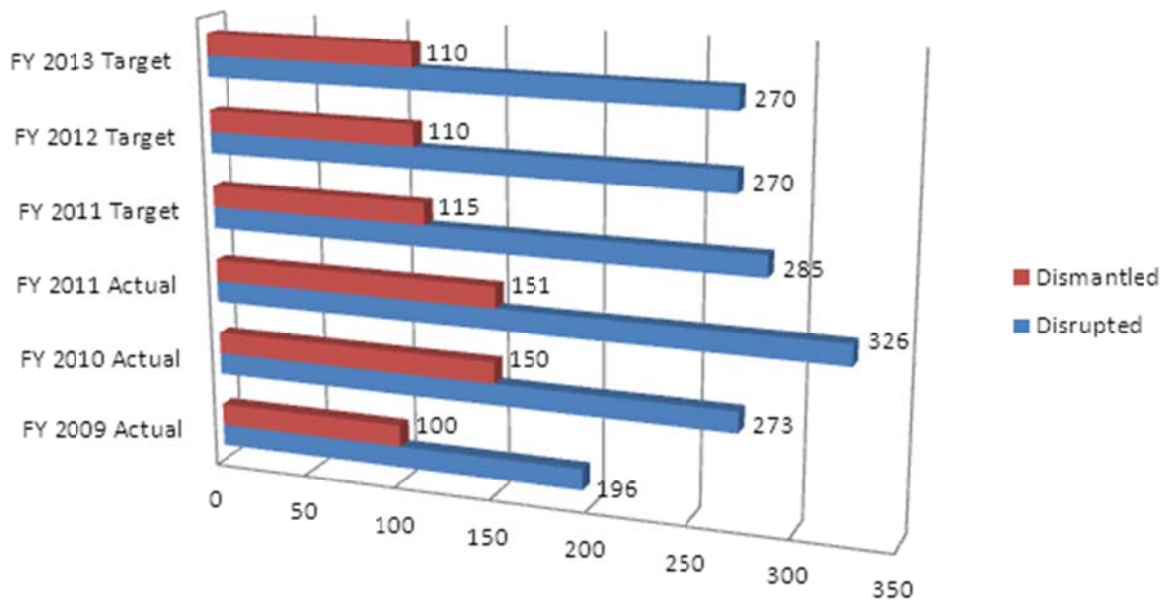
DEA's first drug-related performance measure under DOJ's Strategic Goal 2 on the Domestic Enforcement Performance and Resources Tables relates to the disruption or dismantlement of Priority Targets linked to CPOT targets. As of September 30, 2011, DEA disrupted 326 and dismantled 151 PTOs linked to CPOT targets. This represents 114% and 131% to target for each of the aforementioned dispositions, respectively. DEA exceeded its targets for PTOs linked to CPOT for FY 2011 due to its continued focus on targeting the most egregious drug trafficking organizations.

DEA's second performance measure under DOJ's Strategic Goal 2 on the Domestic Enforcement Performance and Resources Tables relates to the disruption or dismantlement of Priority Targets not linked to CPOT targets. As of September 30, 2011, DEA disrupted 1,295 and dismantled 665 PTOs not linked to CPOT targets. This represents 97% and 111% to target for each of the aforementioned dispositions, respectively.

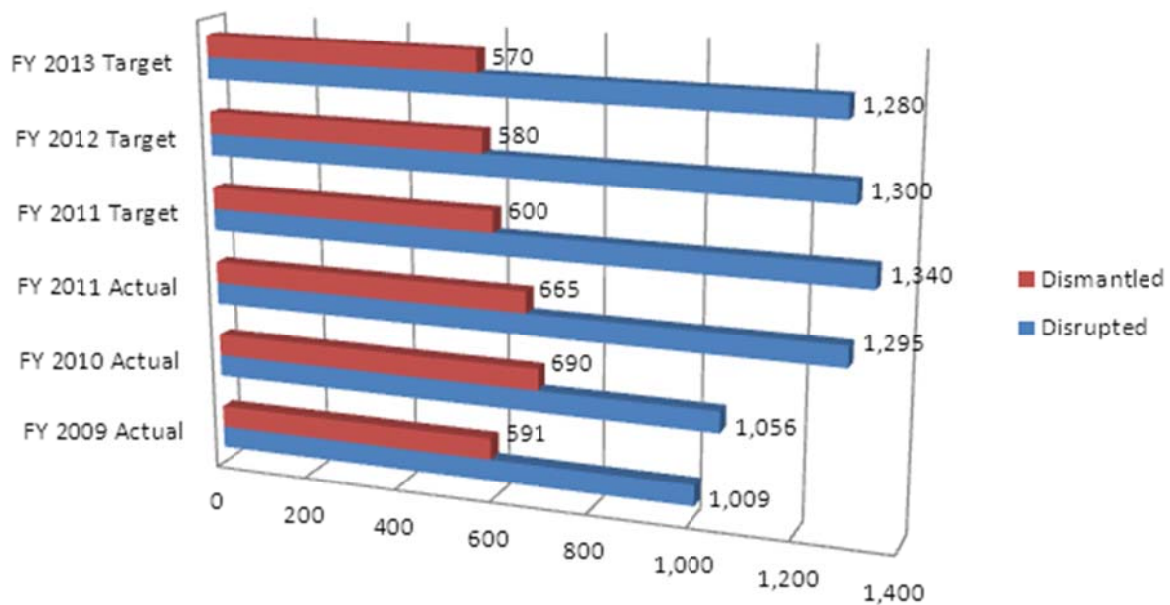
Please note that DEA adjusted its FY 2011 targets for the number of PTOs not linked to CPOT targets disrupted or dismantled after the release of its FY 2012 Congressional Budget Submission. The adjustment was mainly due to the separate reporting of Diversion Control Program (DCP) Priority Targets beginning in FY 2011. During FY 2011, DEA refined its methodology for identifying DCP PTOs, which resulted in a four percent reduction to the Domestic Enforcement targets for the disruption or dismantlement of PTOs not linked to CPOTs in FY 2011 and FY 2012.

DEA is predicting a 5 percent decrease in the number of PTOs linked to CPOT disrupted or dismantled and a 3 percent decrease in the number of PTOs not linked to CPOT disrupted or dismantled in FY 2012. In FY 2013, DEA anticipates that the number of PTOs linked to CPOT disrupted or dismantled may hold steady at the FY 2012 performance level, while the number of PTOs not linked to CPOT disrupted or dismantled may decline slightly.

Domestic PTOs Linked to CPOTs



Domestic PTOs Not Linked to CPOTs



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. For fiscal years 2012 and 2013, DEA evaluated and adjusted its targets for the number of state and local officers trained to 45,000, respectively. This revised target is not anticipated to have an adverse impact on public health and safety or the safety and security of law enforcement personnel. As of September 30, 2011, DEA has trained 51,193 state and local law enforcement officers, which represents 114% of targeted performance.

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 and the recovery of their profits from the sale of illegal drugs. 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. 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 assets and funding belonging to the targeted organizations.

To achieve the strategic goal of maximizing Drug Trafficker Revenue Denied, 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 2013:

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

A key element in combating international drug trafficking is the concerted and coordinated efforts of the inter-agency community to jointly identify chokepoints vulnerable to enforcement

efforts and simultaneously direct assets to vigorously target the identified chokepoints on a coordinated and sustained basis. To this end, DEA developed its Drug Flow Attack Strategy (DFAS), which has the primary objective to cause major disruption to the flow of drugs, money, and chemicals between the source zones and the United States. The strategy includes an integrated intelligence-enforcement process that rests on four pillars: intelligence-driven enforcement, sequential operations, predictive intelligence, and law enforcement deception campaigns. To stem the flow of drugs into the U.S., DEA will continue to implement this strategy by expanding enforcement initiatives with our global law enforcement partners and the military. Under this strategy, DEA works in coordination with DoD/ Joint Interagency Task Force-South, U.S Coast Guard, Customs and Border Protection, the Department of State (including Country Teams led by U.S. Ambassadors), and other Federal departments and agencies.

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. The SWB has also been identified as a major focus area of interest because of the possibility for terrorist organizations to use established drug smuggling routes to smuggle dangerous individuals or weapons of mass destruction (WMD) into the United States. Given this triple threat of illegal drugs, violence, and terrorism; DEA's efforts along the SWB are critical.

DEA's long-standing and most important intelligence sharing organization focusing on the Southwest Border is the multi-agency El Paso Intelligence Center (EPIC). EPIC's mission is to support United States law enforcement and interdiction components through timely analysis and dissemination of intelligence on illicit drug and alien movements and the criminal organizations responsible for these illegal activities. In carrying out this mission, EPIC provides intelligence to law enforcement agents, investigators, and analysts throughout the United States and in some foreign countries. This includes directly supporting the efforts of Department of Justice and Department of Homeland Security (DHS) components, including the Coast Guard, Immigration and Customs Enforcement, and Customs and Border Protection. EPIC also has information sharing agreements with police agencies in all 50 states and it shares near real time information with the Joint Interagency Task Force (JIATF) South and other drug interdiction agencies/elements.

Disrupt and dismantle Consolidated Priority Organization Targets (CPOTs)

The OCDETF Program, of which DEA is the 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. 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.

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

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. 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.

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 enforcement resources to those areas. In addition to its traditional drug law enforcement mission, DEA assumed new intelligence responsibilities and functions in 2006 to support counterterrorism. DEA has expanded its Intelligence Program and has implemented the following initiatives: a DEA Office of National Security Intelligence; a Representation in the National Security Council Office for Combating Terrorism; an Organized Crime Drug Enforcement Task Force Fusion Center (OFC); and 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).

Disrupt and dismantle violent gangs involved in drug trafficking

Gangs 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.

DEA's efforts through SOD's Operational Section: Gangs (OSG) to coordinate and support investigations targeting gangs and violent crime in concert with its enforcement partners assigned to GangTECC will help penetrate and eliminate violent gangs and local drug trafficking organizations. These investigations combat violent drug trafficking organizations in specific neighborhoods and restore safer environments for the residents.

Reduce the threat, trafficking, and use of methamphetamine

Methamphetamine is the most widely abused, domestically produced synthetic drug in the United States. Once confined primarily to the west and mid-west, it is now evident across the eastern half of the United States, as well. Because of the unique characteristics of methamphetamine, fighting the drug demands aggressive and collaborative efforts. DOJ 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.

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

As the nation's preeminent drug law enforcement organization, DEA seeks to address the drug enforcement training needs of the U.S. law enforcement community. This is executed through the State and Local Training Program, which provides law enforcement officers, at no cost, with essential skills needed to conduct narcotics investigations and contribute to the nationwide counterdrug effort. DEA offers an array of classes to state and local officers to include Drug Diversion training, Drug Enforcement Unit Commander training (DUCA), Federal Law Enforcement Analysis Training (FLEAT), and Narcotics Supervisory Leadership training. In addition, state and local training is offered through DEA's Domestic Field Division Offices and Division Training Coordinators. By teaching others the methodologies and techniques of drug enforcement, DEA is able to expand drug enforcement across the United States.

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 Enrique Camarena, who was kidnapped and brutally tortured and murdered by drug traffickers in Mexico in 1985. 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.

c. Priority Goals

The DEA contributes to the DOJ's Priority Goal 2: Violent Crime: Reduce Gang Violence. By September 30, 2013, in conjunction with state and local law enforcement agencies, DOJ will

reduce the number of violent crimes attributed to gangs to achieve 5% increases on the following 3 key indicators:

- youths who exhibited a change in targeted behaviors as a result of participation in DOJ gang prevention program;
- coordination on gang investigations on joint Federal, state, and local levels resulting in gang arrests;
- intelligence products produced in support of Federal, state, and local investigations that are focused on gangs posing a significant threat to communities.

DEA's progress against the coordination indicator is reported quarterly.

C. State & Local Enforcement

<i>State and Local Assistance</i>	Perm. Pos.	FTE	Amount (\$000)
2011 Enacted	31	29	\$5,600
2012 Enacted	31	29	5,640
Adjustments to Base and Technical Adjustments	0	0	95
2013 Current Services	31	29	5,735
2013 Program Increases	0	0	0
2013 Program Offsets	0	0	-4
2013 Request	31	29	5,731
Total Change 2012-2013	0	0	\$91

1. Program Description

Through its expertise and leadership, DEA continues to support state and local efforts with specialized programs to assist with drug enforcement activities. In FY 2013, 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. In FY 2012, DEA's state and local methamphetamine laboratory cleanup efforts are funded by a transfer of \$12.5 million from the Community Oriented Policing Services (COPS) program. Operations of the Domestic Cannabis Eradication/Suppression Program are funded exclusively through the Asset Forfeiture Fund (AFF), which provided \$20,650,000 to DEA for the program so far in FY 2012. While FY 2013 AFF funding allocations will be determined at a later date, DEA anticipates receiving similar levels of AFF funding for the program in FY 2013.

As the nation's leading drug law enforcement organization, DEA responds 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.

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2. Performance Tables

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: State and Local Assistance											
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Strategic Objective 2.3: Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs											
WORKLOAD/ RESOURCES		Final Target		Actual		Enacted		Changes		Requested (Total)	
		FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Workload: Varies by Program											
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
		29	\$5,600 [\$19,201]	29	\$5,600 [\$19,201]	29	\$5,640 [\$19,201]	0	\$91 [\$0]	29	\$5,731 [\$19,201]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2013 Program Changes		FY 2013 Request	
Program Activity	1. State and Local Clandestine Laboratory Training/Domestic Cannabis Eradication/Suppression Program	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		29	\$5,600 [\$19,201]	29	\$5,600 [\$19,201]	29	\$5,640 [\$19,201]	0	\$91 [\$0]	29	\$5,731 [\$19,201]
Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	650		1,384		950		-		950	
Performance Measure	# of Marijuana Plants Eradicated (Includes Plants Cultivated Indoors and Outdoors) ¹	9,000,000				9,500,000		-		9,500,000	
OUTCOME	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ²	††		††		††		-		††	
†† See the International Enforcement Performance and Resources Table for related performance data.											
¹ Actual performance for the Domestic Cannabis Eradication/Suppression Program is reported on a calendar year basis. CY 2011 actual performance will not be available until March 2012. CY 2012 and CY 2013 targets assume continuing National Guard Bureau / DoD support and no change to the current marijuana threat. This program is currently being funded through DEA/DOJ Asset Forfeiture Fund reimbursable agreements.											
² Agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).											

State and Local Clandestine Laboratory Training

Data Definition: The DEA Training Academy tracks the number of State and Local Law Enforcement Officers trained in Clandestine Laboratory Enforcement and reports it quarterly based on the fiscal year.

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 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011		FY 2012	FY 2013
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	1,029	1,043	1,077	952	968	873	1,306	650	1,384	950	950
Performance Measure	# of Marijuana Plants Eradicated (Includes Plants Cultivated Indoors and Outdoors) ¹	3,200,121	4,209,086	5,029,317	7,034,327	8,013,308	10,394,642	10,329,185	9,000,000		9,500,000	9,500,000

¹ Actual performance for the Domestic Cannabis Eradication/Suppression Program is reported on the calendar year ending December 31st. CY 2011 actual performance will not be available until March 2012. CY 2012 and CY 2013 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, Protect the Rights of the American People, and Enforce Federal Law." Within this Goal, the resources specifically address DOJ's Strategic Objective 2.3: "Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs."

a. Performance Plan and Report for Outcomes

DEA's State and Local Assistance Decision Unit consists of three programs: 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. Each of these programs supports DEA's long-term goal to maximize the Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied). Since each program area has identified unique performance measures related to their specific activities, they are addressed separately below.

Drug Trafficker Revenue Denied

Please refer to the discussion on Drug Trafficker Revenue Denied included in the International Enforcement Decision Unit narrative.

State and Local Law Enforcement Officer Clandestine Laboratory Training

DEA conducts 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. Most 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 five clandestine laboratory training courses: State and Local Clandestine Laboratory Certification School (SALC), Clandestine Laboratory Site Safety School (SS), Clandestine Laboratory Tactical Training School (TAC), National Guard Clandestine Laboratory Safety Certification Course (NG), and a National Improvised Explosive Familiarization (NIEF) Program for state and local bomb technicians. The NIEF program provides instruction to state and local participants on the similarities between clan labs and improvised explosives. It is sponsored by the Federal Bureau of Investigation with DEA Clan Lab Unit assistance. Between FY 2000 and FY 2011, DEA has trained 13,877 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. In FY 2011, DEA trained 1,384 state and local law enforcement officers in clandestine laboratory enforcement investigative and safety techniques and methods, which exceeded the FY 2011 target of 650, with certification and site safety classes representing the bulk of the training conducted. NIEF Awareness Training, which is less comprehensive, represents 80 percent of the total clandestine laboratory training conducted (1,107 state and local officers). In prior fiscal

years, the NIEF Awareness Training constituted only about 20 percent of the total training completed. With this new ratio of classes, DEA anticipates exceeding the established target for FYs 2012 and 2013, which is 950 state and local law enforcement officers trained in clandestine laboratory enforcement investigative and safety techniques and methods.

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 rare 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. Numerous contractors service DEA's Hazardous Waste Cleanup and Disposal Contract (HWCDC). 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.

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 and receives funding from the Department of Justice, Asset Forfeiture Fund through reimbursable agreements. The majority of this funding is then allocated to 124 state and local agencies for eradication campaigns and suppression programs. DEA's current performance measure for the program is

the Number of Marijuana Plants Eradicated (including plants cultivated both indoors and outdoors).

Since eradication is based on the growing season, all program performance data is collected and reported on a calendar year basis with performance weighted towards the end of the year. Domestically cultivated marijuana is dependent on climatic conditions, as a result extreme circumstances such as flood, drought, and fire can dramatically impact the amount of product cultivated and therefore seized. In CY 2010, 10,329,185 marijuana plants were seized and destroyed. DEA established a target of 9,000,000 marijuana plants eradicated for CY 2011; actual CY 2011 performance should be available in the March/April timeframe. DEA has established targets of 9,500,000 for CYs 2012 and 2013.

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. 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 clean-up 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:

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.

Assist state and local law enforcement efforts to clean-up 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.

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

<i>Diversion Control Fee Account</i>	Perm. Pos.	FTE	Amount (\$000)
2011 Enacted	1,373	1,282	\$290,304
2012 Enacted	1,497	1,431	322,000
Adjustments to Base and Technical Adjustments	0	62	30,563
2013 Current Services	1,497	1,493	352,563
2013 Program Increases	0	0	0
2013 Program Offsets	0	0	0
2013 Request	1,497	1,493	352,563
Total Change 2012-2013	0	62	\$30,563

1. Program Description

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

The DCP implements an infrastructure of controls established through the CSA 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 costs of DEA's Diversion Control Program are funded through the Diversion Control Fee Account. By law DEA is required to set fees "at a level that ensures the full costs of operating the various aspect of that program". The current fee structure has been in place since November 2006. DEA anticipates publishing an updated fee rule in the Federal Register in March 2012.

The Prescription Drug Abuse Problem

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 the fact that a significant number of Americans are abusing controlled substance prescription drugs for nonmedical purposes.

According to the 2010 National Survey on Drug Use and Health (published in September 2011), 7 million Americans were current non-medical users of psychotherapeutic drugs. Of that number, 5.1 million Americans abused pain relievers. The survey also indicated that past-year abuse of prescription drugs was second only to marijuana. Prescription drugs also ranked just behind marijuana for initiation.

DEA focuses the majority of its investigations on where the diversion occurs the most, at the pharmacy and practitioner level of the distribution chain. These investigations may include non-registrants or end users who are involved in large-scale diversion. Other forms of diversion may include, 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 and doctor shopping.

On September 25, 2010, the DEA coordinated the National Take Back Day. Approximately 4,094 collection sites and 2,992 state and local law enforcement agencies participated in this first-ever nationwide program to remove potentially dangerous controlled substances from our nation's medicine cabinets. Approximately 121 tons of potentially dangerous drugs were collected during the one-day event. As stated by then Acting Administrator Michele M. Leonhart, "This effort symbolizes DEA's commitment to halting the disturbing rise in addiction caused by their misuse and abuse. Working together with our state and local partners, the medical community, anti-drug coalitions, and a concerned public, we will eliminate a major source of abused prescription drugs, and reduce the hazard they pose to our families and communities in a safe, legal, and environmentally sound way."

On April 29, 2011, DEA coordinated the second National Take Back Day. During this one-day event there were approximately 5,361 sites and 3,923 state and local law enforcement agencies participating nationwide. Approximately 188 tons of potentially dangerous drugs were collected for proper disposal.

On October 29, 2011, DEA coordinated a third National Take Back Day and Americans turned in more than 377,086 pounds (188.5 tons) of unwanted or expired medications for safe and proper disposal at the 5,327 take-back sites that were available in all 50 states and U.S. territories.

When the results of the three prior Take Back Days are combined, the DEA, and its state, local, and tribal law-enforcement and community partners have removed 995,185 pounds (498 tons) of medication from circulation in the past 13 months. DEA is coordinating a fourth National Take Back Day April 28, 2012.

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 Table

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Diversion Control											
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law											
Strategic Objective 2.3: Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs											
WORKLOAD/ RESOURCES		Final Target		Actual		Enacted		Changes		Requested (Total)	
		FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2012 Program Change		FY 2013 Request	
Workload Measure	Number of Criminal Case Initiations ¹	2,036		1,900		2,291		281		2,572	
Workload Measure	Active Diversion PTOs Linked to CPOT Targets ²	-		20		-		-		-	
Workload Measure	Active Diversion PTOs Not Linked to CPOT Targets	470		444		520		40		560	
Workload Measure	Number of Drug and Chemical New Applicants (throughout the FY)	76,850		87,087		78,387		1,568		79,955	
Total Costs and FIE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FIE	\$000	FIE	\$000	FIE	\$000	FIE	\$000	FIE	\$000
		1,282	\$290,304 [\$0]	1,282	\$290,304 [\$0]	1,431	\$322,000 [\$0]	62	\$30,563 [\$0]	1,493	\$352,563 [\$0]

TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2011		FY 2011		FY 2012		Current Services Adjustments and FY 2012 Program Change		FY 2013 Request	
Program Activity	Diversion of Licit Drugs and Chemicals	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		1,282	\$290,304 [\$0]	1,282	\$290,304 [\$0]	1,431	\$322,000 [\$0]	62	\$30,563 [\$0]	1,493	\$352,563 [\$0]
Performance Measure	Number of Administrative/Civil/Criminal Sanctions	1,717		2,110		1,802		90		1,892	
Performance Measure	Number of Diversion PTOs Linked to CPOT Targets Disrupted / Dismantled ²	0/0		3/8		0/0		-		0/0	
Performance Measure	Number of Diversion PTOs Not Linked to CPOT Targets Disrupted / Dismantled	180/110		184/151		205/120		15/10		220/130	
Performance Measure	Number of Planned Scheduled Investigations Completed (Overall)	3,906		4,340		3,906		-		3,906	
Efficiency Measure	Number of Registrations Processed per FTE	63,238		82,436		66,400		3,320		69,720	
OUTCOME	Milestones for Development, Implementation, and Maintenance of Data Warehouse (Rapid Targeting Online Reports Tool - RapTOR) to Monitor Closed Distribution System, Which Will Allow For The Development of An Outcome Measure	Milestone 2: Deploy RapTOR (Operational)		Milestone 2: Deploy RapTOR (Operational)		Milestone 3: Deploy 2nd release with enhanced reporting capability Deploy RapTOR (Operational)		-		Milestone 4: Full-scale operations and maintenance	
¹ Criminal cases will be determined by the use of DEA's Case Status Subsystem (CAST) to obtain records with 2000 series Diversion case files and class codes 40/50. In addition, DEA case file records for non-2000 series non-general file with fee fundable GDEP drug codes are included.											
² As a participant in the PTO program, Diversion is required to report PTOs linked to CPOT and not linked to CPOT. However, with the nature of the Diversion program, CPOT linkages are a rare event.											

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

Sanction Categories:

- * Administrative/Civil: 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.
- * Criminal: 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.

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 2004	FY 2005	FY 2006	FY 2007	FY2008	FY 2009	FY 2010	FY 2011		FY 2012	FY 2013
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Number of Administrative/Civil/Criminal Sanctions	1,122	1,138	1,212	1,261	1,601	1,557	1,519	1,717	2,110	1,802	1,892
Performance Measure	Number of Diversion PTOs Linked to CPOT Targets Disrupted & Dismantled ¹	1/0	1/0	0	0	1/0	2/1	2/2	0	3/8	0	0
Performance Measure	Number of Diversion PTOs Not Linked to CPOT Targets Disrupted & Dismantled ¹	12/14	28/20	36/25	67/35	129/66	112/109	154/104	180/110	184/151	205/120	220/130
Performance Measure	Number of Planned Scheduled Investigations Completed (Overall)	N/A	N/A	N/A	N/A	N/A	1,065	3,554	3,906	4,340	3,906	3,906
Efficiency Measure	Number of Registrations Processed per FTE	22,004	23,846	27,974	34,219	50,439	57,359	58,869	63,238	82,436	66,400	69,720
OUTCOME	Milestones for Development, Implementation, and Maintenance of Data Warehouse (Rapid Targeting Online Reports Tool - RapTOR) to Monitor Closed Distribution System, Which Will Allow For The Development of An Outcome Measure	N/A	N/A	N/A	N/A	N/A	N/A	Milestone 1: Deploy RapTOR (For Beta Testing)	Milestone 2: Deploy RapTOR (Operational)	Milestone 2: Deploy RapTOR (Operational)	Milestone 3: Deploy 2nd release with enhanced reporting capability	Milestone 4: Full-scale operations and maintenance
¹ Prior to FY 2010, the Diversion Control Program was not officially part of the DEA's Priority Targeting Program; therefore, PTO data reported for FY 2002 – FY 2009 may be understated. Prior to FY 2010, the Diversion Control Program had separate definitions for disruptions and dismantlements based on administrative, civil, and criminal sanctions tracked through the CSA II database. Beginning in FY 2010, with the creation of Tactical Diversion Squads in every domestic field division, the Diversion Control Program began focusing on the identification of PTOs and their eventual disruption and dismantlement.												

3. Performance, Resources, and Strategies

The DCP contributes to DOJ's Strategic Goal 2: "Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law." Within this goal, the resources specifically address DOJ's Strategic Objective 2.3: "Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs." DCP resources ensure a strong deterrence against the diversion and illegal prescribing of controlled substances and chemicals.

a. Performance Plan and Report for Outcomes

Performance Narrative

Number of Administrative/Civil/Criminal Sanctions

DEA can initiate a variety of actions for violations of the CSA or its implementing regulations. The type(s) of action taken is typically driven by the severity of the offense(s) and whether or not a registrant was the subject of any previous actions. The following is a partial listing of potential actions DEA can take against a registrant or diverter:

- Administrative actions are handled by DEA and can include (1) a letter of admonition to advise the registrant of any violations; (2) an order to show cause which initiates revocation or suspension of a DEA registration; and (3) an immediate suspension order against the registrant if there is a finding of imminent threat to public health or safety.
- Civil penalties are typically coordinated with an Assistant United States Attorney or in some instances the local district attorney. Civil violations are typically recordkeeping violations involving controlled substances or listed chemicals. Penalties for civil actions generally include monetary fines.
- Criminal prosecutions are coordinated with an Assistant United States Attorney or local district attorney. Criminal violations include offenses such as the illegal distribution of controlled substances and other related offenses such as health care fraud, tax evasion, and money laundering. Criminal penalties generally include incarceration and fines.

In FY 2011, the DCP reported 2,110 administrative/civil/criminal sanctions, which is 22.9% above its FY 2011 target of 1,717. For FY 2012, the target was increased to 1,802. For FY 2013, the target was increased further to 1,892.

It should be noted that as a direct result of DEA's mandate to pursue the assets of traffickers and diverters of controlled substances, the number of permanent administrative/criminal sanctions levied has dramatically increased.

Number of Diversion PTOs Disrupted or Dismantled

As a participant in the PTO program, the DCP is required to report PTOs linked to CPOT and not linked to CPOT. However, with the nature of the DCP, CPOT linkages are a rare event. Beginning in FY 2010, with the creation of Tactical Diversion Squads (TDS) in every domestic field division, the DCP began focusing on the identification of PTOs and their eventual

disruption or dismantlement. Actual reporting of PTO disruptions or dismantlements followed in FY 2011. In FY 2011, the number of PTOs disrupted was 187 and the number of PTOs dismantled was 159. This represents 104% and 145% to target for each of the aforementioned dispositions, respectively. For FY 2012, the targets are 205 PTO disruptions and 120 PTO dismantlements. For FY 2013, the targets are 220 PTO disruptions and 130 PTO dismantlements.

Number of Registrations Processed per FTE

In FY 2011, the DCP reported 82,436 registrations processed per FTE, which exceeded the FY 2011 target of 63,238 registrations processed per FTE by 30%. Unfortunately, this increase in efficiency is an anomaly. With the number of registrants remaining relatively constant from year to year, a change in the number of FTE utilized can have a significant impact on the reported efficiency. In FY 2011, the DCP realized significant attrition in registration processing. With fewer staff processing the same number of registrations annually, data entry errors in FY 2011 increased significantly. To reduce the number of data entry errors, DEA will fill vacant positions in FY 2012 and expects the reported efficiency to return to levels realized prior to FY 2011. Therefore, the target for FY 2012 is 66,400, and the target for FY 2013 is 69,720.

Milestones for Development, Implementation, and Maintenance of Data Warehouse (Rapid Targeting Online Reports Tool – RapTOR) to Monitor Closed Distribution System

In FY 2010, DEA established milestones for the development, implementation, and maintenance of a data warehouse system, the Rapid Targeting Online Reports Tool (RapTOR). The primary purpose of this system is to monitor the closed controlled substance distribution system to ensure that controlled substances are not diverted outside that system for illicit purposes. RapTOR will enable DEA to rapidly obtain information related to the manufacture and distribution of controlled substances and listed chemicals. The reports and analysis obtained from this system will be used to target potential offenders, develop trend distribution patterns, and used to allocate investigative resources. The established milestones are the following:

Milestone 1: FY 2010, Deploy RapTOR (For Beta Testing) - completed

Milestone 2: FY 2011, Deploy RapTOR (Operational) - completed

Milestone 3: FY 2012, Deploy 2nd release with enhanced reporting capability - pending

Milestone 4: FY 2013, Full-scale operations and maintenance – on track

b. Strategies to Accomplish Outcomes

The DCP's mission is to prevent, detect, and investigate the diversion of controlled pharmaceuticals and listed chemicals from legitimate sources while ensuring an adequate and uninterrupted supply for legitimate medical, commercial, and scientific needs.

To achieve its mission, the DCP does the following:

- Identify and target those individuals and organizations responsible for the diversion of pharmaceutical controlled substances and/or chemicals through traditional investigations and cyber-crime initiatives
- Support DEA registrants with improved technology (including Ecommerce and customer support), while maintaining cooperation, support, and assistance from the regulated drug/chemical industry
- Educate the public on the dangers of prescription drug abuse and take proactive enforcement measures to combat emerging drug trends
- Ensure an adequate and uninterrupted supply of controlled substances to meet legitimate medical, industrial, scientific, and export needs through the quota process

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

Investigate and prepare for prosecution of violators of pharmaceutical controlled substance laws at the international, national, state, and local levels.

Tactical Diversion Squads

The DCP conducts criminal enforcement activities primarily through Tactical Diversion Squads (TDSs). TDSs are comprised of many DEA specialties, including DEA special agents and diversion investigators, and state and local counterparts such as state law enforcement and regulatory personnel. These groups combine varied resources and expertise in order to investigate, disrupt, and dismantle those individuals or organizations involved in diversion schemes (e.g., pill mills, prescription forgery rings, and rogue internet pharmacies). TDSs develop sources of information and disseminate intelligence to appropriate elements for the development of leads and targets. The TDS provides support to a Diversion Group and/or a Diversion Staff 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). To date, 40 TDSs are operational, an additional eight squads have been deployed, and ten are planned for a total 58 squads in 37 states, Puerto Rico, and the District of Columbia. The establishment of additional TDSs will be accomplished based on diversion trends, budget authority, and funding levels.

Chemical Initiatives

The DCP serves as the Competent National Authority (CNA) for the United States concerning precursor chemicals and international treaties. The DCP works with the international community to identify and seize international shipments of precursor and essential chemicals destined for clandestine laboratories for use in manufacturing controlled substances. Additionally, in cooperation with chemical companies and on a bilateral basis, the DCP urges international partners to take effective action to prevent the diversion of precursor chemicals from legitimate trade. In addition to its other oversight and regulatory responsibilities in this area, the DCP reviews and approves importation requests for List I chemicals and reviews chemical registrant submissions.

Distributor Initiative

DEA established the Distributor Initiative Program in August 2005 to remind distributors of their responsibilities under the Controlled Substances Act (CSA) and its implementing regulations to identify suspicious orders. From August 2005 through September 30, 2011, DEA briefed 76 corporations/companies consisting of 221 distribution centers concerning illegal Internet pharmacy operations and rogue pain clinics. As a result, some distributors have voluntarily stopped selling or restricted sales of controlled substances to suspicious domestic pharmacies and practitioners. Through the Distributor Initiative Program various distributors intensified their due diligence efforts and cut off the supply of controlled substance pharmaceuticals to suspicious customers. From June 2006 through September 30, 2011, distributors have refused to sell controlled substances to 1,691 customers that the distributors deemed were placing suspicious orders for controlled substances. For those distributors who failed to adhere to their regulatory responsibilities, DEA has taken administrative action. These actions have resulted in the collection of record-setting civil penalties of \$13.25 million against McKesson Drug Corporation and \$34 million against Cardinal Health.

Improved Technology

The DCP determines the appropriate procedures necessary to order and distribute schedule I and II controlled substances. This enables the DCP to monitor the flow of certain controlled substances from their point of manufacture through commercial distribution. It also monitors registrant compliance with electronic reporting systems such as the Automation of Reports and Consolidated Orders System (ARCOS), and manages the cataloging of controlled substances based on the National Drug Code (NDC) system, the Drug/Ingredient file, Trade Name file, DEA Generic Name file and U.N. Code/Name file. Other oversight activities include maintaining the Controlled Substance Ordering System (CSOS), and monitoring CSOS activities through the initial certification process, and periodic auditing of registrant systems. CSOS provides registrants with an electronic platform that reduces costs to registrants while ensuring a more efficient and effective ordering process. The DCP successfully made improvements to the technology infrastructure of CSOS and streamlined the application process for registrants by implementing an online system for new applications and renewal applications for registrations. The DCP is also enhancing the communications system to allow interconnectivity between many different systems. The DCP is continually working to improve the quality and accessibility of its reporting systems, such as ARCOS and Drug Theft/Loss (DTL). These two programs generate timely, accurate, and actionable data that improve the DCP's enforcement and control efforts as well as providing for a more efficient means by which registrants may submit such reports.

Enforce the provisions of the Controlled Substances Act as they pertain to the manufacture, distribution and dispensing of legally produced controlled substances, while maintaining cooperation, support, and assistance from the regulated industry.

Compliance and Cooperation with Registrants

All DCP regulatory activities require education and outreach to ensure understanding of and compliance with the CSA and applicable policies and regulations. Providing such guidance is

also necessary to reduce the likelihood of diversion from legitimate commerce to illegitimate purposes. One aspect of the DCP's outreach efforts is establishing and maintaining liaison and working relationships with other federal agencies, as well as foreign, state and local governments, and the regulated community. Other efforts include developing and maintaining manuals and other publications; organizing and conducting national conferences on current issues, policies, and initiatives; and providing guidance to the general public.

Scheduled Investigations

One of the primary functions of the DCP is to ensure that registrants are in compliance with the safeguards inherent in the CSA. This proactive approach is designed to identify and prevent the large scale diversion of controlled substances and listed chemicals into the illicit market. Registrant compliance is determined primarily through the conduct of pre-registration, scheduled, and complaint investigations. DCP regulatory activities have an inherent deterrent function, and they are designed to ensure that those businesses and individuals registered with DEA to handle controlled substances or listed chemicals have sufficient measures in place to prevent the diversion of these substances. These investigations also help registrants understand and comply with the CSA and identify those registrants who violate the CSA and implementing regulations. Preregistration investigations reduce the possibility of registering unauthorized subjects, ensure that the means to prevent diversion are in place, and determine whether registration is consistent with the public interest.

Drug Trend Analysis

The DCP is constantly evaluating diversion trends, patterns, routes, and techniques in order to appropriately focus its regulatory, civil and criminal enforcement activities. This is accomplished in many ways, including collecting and analyzing targeting and analysis data, conducting diversion threat assessments, working with state and local medical and pharmacy boards, state and local law enforcement agencies, and developing intelligence. One example is the growing use of, and interest in, synthetic stimulants sold under the guise of "bath salts" or "plant food". Marketed under names such as "Ivory Wave", "Purple Wave", "Vanilla Sky" or "Bliss", these products are comprised of a class of chemicals perceived as mimics of cocaine, LSD, MDMA, and/or methamphetamine. These products have become increasingly popular, particularly among teens and young adults, and are sold at a variety of retail outlets, in head shops and over the Internet. However, they have not been approved by the FDA for human consumption or for medical use, and there is no oversight of the manufacturing process. To prevent an imminent threat to the public safety, DEA exercised its emergency scheduling authority by controlling three synthetic stimulants (Mephedrone, 3,4 methylenedioxy-pyrovalerone (MDPV) and Methylone) used in the production of products marketed as "bath salts" and "plant food". The scheduling of these substances became effective in October 2011 and will remain in effect for at least one year while the DEA and the Department of Health and Human Services further study whether these chemicals should be permanently controlled.

Create a strong deterrence against the diversion of licit drugs and chemicals through development of cyber-crime initiatives that will allow the rapid and effective detection of potential diversion via the Internet.

Increased Scheduled Investigations

In 2009, the DCP intensified its regulatory activities to help the registrant population better comply with the CSA and to identify those registrants who violated the CSA and implementing regulations. The modifications included increasing investigation cycles as well as depth of review. Scheduled investigations were increased from every five years to every three years for controlled substance manufacturers, bulk manufacturers, distributors, reverse distributors, importers, exporters, bulk importers and Narcotic Treatment Programs; scheduled investigations for chemical manufacturers, bulk manufacturers, distributors, importers, exporters, and bulk importers were increased from two per diversion investigator per year to all such registrants every three years. Investigations of Office Based Opioid Treatment/Buprenorphine Physicians, currently referred to as DATA-Waived Practitioners, were increased from one such registrant per Diversion Group per year to all such registrants per Diversion Group every five years. Researchers were increased from only being investigated on a complaint basis to two Schedule I researchers plus two Schedule II-V researchers per Diversion Group per year. Finally, analytical laboratories, previously not subject to scheduled investigations, were increased to include analytical laboratories affiliated with manufacturers being investigated every three years in tandem with the affiliated manufacturer's scheduled investigation.

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.

Electronic Prescriptions for Controlled Substances

DEA's Interim Final Rule on Electronic Prescriptions for Controlled Substances (EPCS), effective June 1, 2010, enhances diversion control as a means to protect against fraudulent prescriptions and streamlines the record keeping process for pharmacies (75 FR 16236, March 31, 2010). This rule provides practitioners with the option to sign and transmit prescriptions for controlled substances electronically. Likewise, with this new rule, pharmacies are permitted to receive and archive electronic prescriptions. The DCP continues to develop and implement EPCS regulations.

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, the DCP 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 Schedule 1 substances 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, such as the Convention on Psychotropic Substances, 1971.

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V. Programmatic Adjustments to Base

Item Name:	Increase On-board Staffing
Budget Decision Unit(s):	Diversion Control Fee Account
Organizational Program:	DEA-wide
Programmatic Adjustment:	Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars <u>\$8,034,000</u>

Description of Item

DEA is requesting a base adjustment of \$8,034,000 for personnel costs in order to fill an additional 87 existing positions in FY 2013. These positions include intelligence analysts and other administrative and support personnel.

Summary Justification

As new Tactical Diversion Squads become operational, additional investigative support activities will be required. This includes intelligence gathering and dissemination, laboratory analysis of evidence, legal counsel and action against violators, technology for internet investigative support, headquarters program support including internal controls, drug and chemical scheduling, liaison and policy, regulatory drafting, financial management, and clerical case support.

DEA projects that the number of Diversion Control Program (DCP) sanctions will increase from 1,802 in FY 2012 to 1,892 in FY 2013. Since there has been a steady increase in sanctions since FY 2009, sufficient staffing is required to adequately meet this need. Further, as a direct result of DEA's priority to pursue the assets of traffickers and diverters of controlled substances and levy more serious, permanent administrative and criminal sanctions, the number of dismantlements has also dramatically increased. Given the above mentioned priority 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. Additional staffing is also needed to support the increased frequency in scheduled regulatory investigations in order to better fulfill DEA's regulatory responsibilities.

The base adjustment to support these initiatives for DEA is \$8,034,000.

Impact on Performance

Without the requested \$8,034,000 increase, the positions supporting enforcement and regulatory activities are likely to remain vacant and potentially degrade investigative support activities described above. This would limit the DCP's ability to support the increase in special agent and diversion investigators and its ability to meet mission goals.

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Item Name: **TDS Task Force Officers and Contractors**

Budget Decision Unit(s): Diversion Control Fee Account

Organizational Program: DEA-wide

Programmatic Adjustment: Positions 0 Agt/Atty 0 FTE 0 Dollars \$6,198,000

Description of Item

DEA is requesting a base adjustment of \$6,198,000 to add additional state and local task force officers and administrative contractors to Tactical Diversion Squads (TDSs).

Summary Justification

As new TDSs become operational, additional state and local task force officers and administrative contractors supporting TDS will be necessary.

As of January 2012, the DCP has 40 TDSs operational and plans to increase the number of TDSs to 58. The funding requested for FY 2011 and FY 2012 included funding for 128 task force officers and 16 administrative contractors. The requested \$6,198,000 will fund 62 additional task force officers and 16 additional contractors.

Impact on Performance

Without the requested \$6,198,000 increase, DCP would not be able to increase the number of state and local task force officers or administrative contractors supporting new TDSs. This would hinder DCP's ability cooperate with state and local partners and its ability to meet mission goals.

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VI. Program Offsets by Item

Item Name:	IT Savings
Budget Decision Unit(s):	Domestic
Organizational Program:	DEA-wide
Program Reduction:	Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars <u>-\$3,275,000</u>

Description of Item

DEA proposes to achieve cost savings of \$3,275,000 in non-personnel base resources from savings realized from collaborating on IT contracts and potentially through sharing contracts.

Summary Justification

As part of its effort to increase IT management efficiency and comply with OMB's direction to reform IT management activities, the Department is implementing a cost saving initiative as well as IT transformation projects. To support cost savings, the Department is developing an infrastructure to enable DOJ components to better collaborate on IT contracting, which should result in lower IT expenditures. In FY 2013 the Department anticipates realizing savings on all direct non-personnel IT spending through IT contracting collaboration. These savings will not only support greater management efficiency within components but will also support OMB's IT Reform plan by providing resources to support major initiatives in Cybersecurity, data center consolidation, and enterprise e-mail systems. The savings will also support other Department priorities in the FY 2013 request. The offset to support these initiatives for DEA is \$3,275,000.

Impact on Performance

DEA will continue to follow current purchase plans for IT programs but will potentially do so under more favorable terms. Consequently, no impact on performance and achievement of priority goals is anticipated.

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Item Name: **Hollow Position/FTE Reduction**

Budget Decision Unit(s): Domestic

Organizational Program: DEA-wide

Program Reduction: Positions -164 Agt -95 FTE -164 Dollars \$0

Description of Item

DEA proposes to eliminate 164 previously funded but currently vacant positions considered “hollow positions.”

Summary Justification

This reduction reflects the Department’s commitment to implementing efficiencies in order to maintain our top priority missions.

Impact on Performance

The positions being eliminated are currently vacant; as such, there will be no impact on current staffing or operational levels.

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Item Name:	Administrative and Operational Efficiencies
Budget Decision Unit(s):	Domestic, Foreign, State & Local
Organizational Program:	DEA-wide
Program Reduction:	Positions <u>0</u> Agt/Atty <u>0</u> FTE <u>0</u> Dollars <u>-\$19,759,000</u>

Description of Item

DEA proposes to achieve cost savings of \$19,759,000 in non-personnel base resources from savings realized from increased efficiencies and reduced spending.

Summary Justification

Executive Order 13589 - Promoting Efficient Spending instructed Federal agencies to cut wasteful spending and identify opportunities to promote efficient and effective spending. Agencies were specifically directed to reduce spending on publications, travel, executive fleets, advisory contracts, promotional items, and IT devices. DEA, along with the rest of the Department of Justice (DOJ), has made significant efforts to limit and reduce spending in these and other areas since FY 2010 and continues to do so as a part of the *Campaign to Cut Waste* initiative. Additionally, DEA and DOJ are working with the State Department to reduce costs related to positions stationed in foreign posts.

Impact on Performance

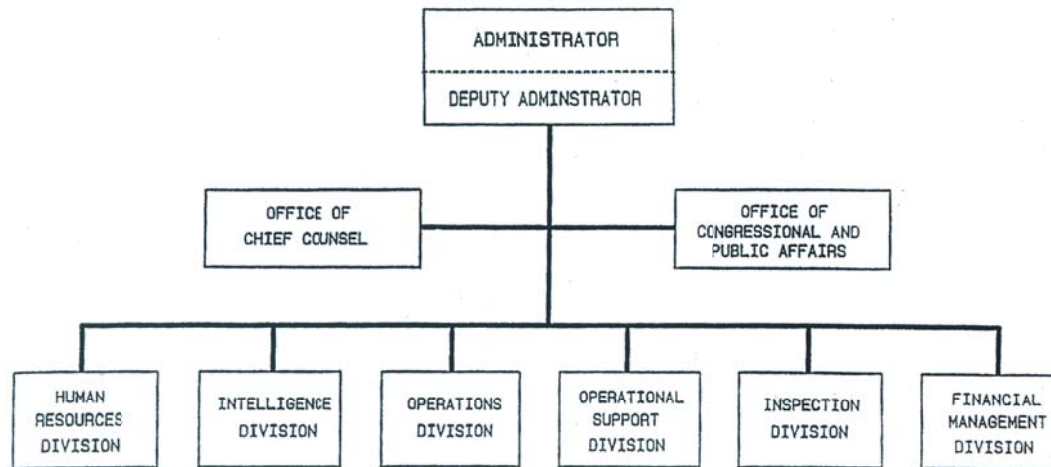
Since cost savings are spread across multiple functional areas, little to no impact on performance and achievement of priority goals is anticipated.

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VII. Exhibits

A. Organizational Chart

DRUG ENFORCEMENT ADMINISTRATION



Approved *Janet Reno* Date 5/23/95
JANET RENO
Attorney General

Exhibit A

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B. Summary of Requirements

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

	FY 2013 Request		
	Perm. Pos.	FTE	Amount
2011 Enacted	8399	8315	\$2,015,643
2012 Enacted	8,304	8,220	2,025,000
2012 Rescission of Prior Year Balances	0	0	-10,000
Total 2012 Enacted	8,304	8,220	2,015,000
Technical Adjustments			
Restoration of Balance Rescission			10,000
Adjustments to Base			
Transfers:			
NDIC to DEA	57	57	8,026
JABS			1,900
JCON and JCON S/ST			403
New Technology			13,800
Office of Information Policy (OIP)			(394)
Professional Responsibility Advisory Office (PRAO)			(36)
Subtotal Transfers	57	57	23,699
Increases:			
Pay and Benefits			17,842
Domestic Rent and Facilities			10,088
Other Adjustments			1,545
Foreign Expenses			(4,236)
Subtotal Increases	0	0	25,239
Total Adjustments to Base	57	57	48,938
Total Adjustments to Base and Technical Adjustments	57	57	58,938
2013 Current Services	8,361	8,277	2,073,938
Program Changes			
Increases	0	0	0
Offsets:			
Hollow Position/FTE Reduction	(164)	(164)	0
IT Savings	0	0	(3,275)
Administrative and Operational Efficiencies	0	0	(19,759)
Cancellation of Prior Year Unobligated Balance	0	0	[-15,600]
Subtotal Offsets	(164)	(164)	(23,034)
Total Program Changes	(164)	(164)	(23,034)
2013 Total Request	8,197	8,113	2,050,904
2012 - 2013 Total Change	(107)	(107)	35,904

NOTE: All FTE numbers in this table reflect authorized FTE, which is the total number of FTE available to a component. Because the FY 2013 President's Budget Appendix builds the FTE request using actual FTE rather than authorized, it may not match the FY 2012 FTE enacted and FY 2013 FTE request reflected in this table.

Exhibit B

B. Summary of Requirements

	2011 Appropriation Enacted w/Rescissions			2012 Enacted			2013 Adjustments to Base and Technical Adjustments			2013 Current Services			2013 Increases			2013 Offsets			2013 Request		
Estimates by budget activity	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Domestic	7,294	7,256	1,603,678	7,199	7,161	1,601,690	57	57	49,570	7,256	7,218	1,651,260	0	0	0	(164)	(164)	(14,081)	7,092	7,054	1,637,179
Foreign	1,074	1,030	\$406,365	1,074	1,030	417,670	0	0	-727	1,074	1,030	416,943	0	0	0	0	0	(8,949)	1,074	1,030	407,994
State & Local	31	29	5,600	31	29	5,640	0	0	95	31	29	5,735	0	0	0	0	0	(4)	31	29	5,731
Total	8,399	8,315	\$2,015,643	8,304	8,220	\$2,025,000	57	57	\$48,938	8,361	8,277	\$2,073,938	0	0	\$0	(164)	(164)	(\$23,034)	8,197	8,113	\$2,050,904
Rescission/Cancellation of Prior Year Unobligated Balance						[-10,000]												[-15,600]			[-15,600]
Reimbursable FTE		1,311			1,311			0			1,311			0			(24)			1,287	
Total FTE		9,626			9,531			57			9,588			0			(188)			9,400	
Other FTE:																					
LEAP		1,036			1,012			0			1,012			0			(24)			988	
Overtime		63			63			1			63			0			(1)			62	
Total Comp. FTE		10,725			10,606			58			10,663			0			(213)			10,450	

Exhibit B

B. Summary of Requirements

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

	FY 2013 Request		
	Perm. Pos.	FTE	Amount
2011 Enacted	1373	1282	\$290,304
2012 Enacted	1,497	1,431	322,000
Adjustments to Base			
Increases:			
Pay and Benefits	0	62	20,589
Domestic Rent and Facilities			3,227
Other Adjustments			6,198
Foreign Expenses			549
Subtotal Increases	0	62	30,563
Total Adjustments to Base	0	62	30,563
Total Adjustments to Base and Technical Adjustments	0	62	30,563
2013 Current Services	1,497	1,493	352,563
Program Changes			
Total Program Changes	0	0	0
2013 Total Request	1,497	1,493	352,563
2012 - 2013 Total Change	0	62	30,563

NOTE: All FTE numbers in this table reflect authorized FTE, which is the total number of FTE available to a component. Because the FY 2013 President's Budget Appendix builds the FTE request using actual FTE rather than authorized, it may not match the FY 2012 FTE enacted and FY 2013 FTE request reflected in this table.

B. Summary of Requirements

	2011 Appropriation Enacted w/Rescissions			2012 Enacted			2013 Adjustments to Base and Technical Adjustments			2013 Current Services			2013 Increases			2013 Offsets			2013 Request		
Estimates by budget activity	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Diversion Control Fee Account	1,373	1,282	290,304	1,497	1,431	322,000	0	62	30,563	1,497	1,493	352,563	0	0	0	0	0	0	1,497	1,493	352,563
Total	1,373	1,282	\$290,304	1,497	1,431	\$322,000	0	62	\$30,563	1,497	1,493	\$352,563	0	0	\$0	0	0	\$0	1,497	1,493	\$352,563
Reimbursable FTE																				0	
Total FTE		1,282			1,431			62			1,493			0			0			1,493	
Other FTE:																					
LEAP		53			67			6			73			0			0			73	
Overtime		16			17			1			18			0			0			18	
Total Comp. FTE		1,351			1,515			69			1,584			0			0			1,584	

Exhibit B

B. Summary of Requirements

Summary of Requirements
Drug Enforcement Administration
Construction Account
(Dollars in Thousands)

	FY 2013 Request		
	Perm. Pos.	FTE	Amount
2011 Enacted	0	0	\$0
2012 Enacted	0	0	10,000
Adjustments to Base			
Decreases:			
Non-recrural of Non-Personnel	0	0	(10,000)
Subtotal Decreases	0	0	(10,000)
Total Adjustments to Base	0	0	(10,000)
2013 Current Services	0	0	0
Program Changes	0	0	0
Total Program Changes	0	0	0
2013 Total Request	0	0	0
2012 - 2013 Total Change	0	0	(10,000)

B. Summary of Requirements

	2011 Appropriation Enacted w/Rescissions			2012 Enacted			2013 Adjustments to Base and Technical Adjustments			2013 Current Services			2013 Increases			2013 Offsets			2013 Request		
Estimates by budget activity	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Construction	0	0	0	0	0	10,000	0	0	(10,000)	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	\$0	0	0	\$10,000	0	0	-\$10,000	0	0	\$0	0	0	\$0	0	0	\$0	0	0	\$0
Reimbursable FTE																				0	
Total FTE		0			0			0			0			0			0			0	
Other FTE:																					
LEAP																				0	
Overtime																				0	
Total Comp. FTE		0			0			0			0			0			0			0	

Exhibit B

C. Program Increase by Decision Unit

Program Increases/Offsets by Decision Unit Drug Enforcement Administration (Dollars in Thousands)

Program Offsets	Location of Description by Decision Unit	Domestic				Foreign				State & Local				Total Offsets
		Pos.	Agt./Atty.	FTE	Amount	Pos.	Agt./Atty.	FTE	Amount	Pos.	Agt./Atty.	FTE	Amount	
Hollow Position/FTE	Domestic	(164)	(95)	(164)	0	0	0	0	0	0	0	0	0	0
IT Savings	Domestic	0	0	0	(3,275)	0	0	0	0	0	0	0	0	(3,275)
Administrative and Operational Efficiencies	Domestic, Foreign, State & Local	0	0	0	(10,806)	0	0	0	(8,949)	0	0	0	(4)	(19,759)
Cancellation of Prior Year Unobligated Balance	n/a	0	0	0	0	0	0	0	0	0	0	0	0	[-15,600]
Total Offsets		(164)	(95)	(164)	(\$14,081)	0	0	0	(\$8,949)	0	0	0	(\$4)	(\$23,034)

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D. Resources by DOJ Strategic Goal/Objective

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

Strategic Goal and Strategic Objective	2011 Appropriation Enacted		2012 Enacted ²		2013 Current Services		2013				2013 Request ³	
	Direct, Reimb. Other		Direct, Reimb. Other		Direct, Reimb. Other		Increases		Offsets		Direct, Reimb. Other	
	FTE	Direct Amount \$000s	FTE	Direct Amount \$000s	FTE	Direct Amount \$000s	FTE	Direct Amount \$000s	FTE	Direct Amount \$000s	FTE	Direct Amount \$000s
Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law												
1.1 Prevent, disrupt, and defeat terrorist operations before they occur	211	76,092	211	76,160	209	76,414	0	0	0	0	209	76,414
Subtotal, Goal 1	211	76,092	211	76,160	209	76,414	0	0	0	0	209	76,414
Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law¹												
2.3 Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs	10,697	2,229,855	10,751	2,280,840	10,872	2,350,087	0	0	(188)	(23,034)	10,684	2,327,053
Subtotal, Goal 2	10,697	2,229,855	10,751	2,280,840	10,872	2,350,087	0	0	(188)	(23,034)	10,684	2,327,053
GRAND TOTAL	10,908	\$2,305,947	10,962	\$2,357,000	11,081	\$2,426,501	0	\$0	(188)	(\$23,034)	10,893	\$2,403,467

¹DEA contributes to Objective 2.1, but does not budget specific resources for this objective.

²FY 2012 does not include Rescission of Prior Year Unobligated Balances in the amount of \$10,000,000.

³FY 2013 does not include Cancellation of Prior Year Unobligated Balances in the amount of \$15,600,000.

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E. Justification for Base Adjustments

Justification for Base Adjustments Drug Enforcement Administration Salaries and Expenses

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Transfers</u>			
<u>NDIC.</u> The Department plans to realign NDIC core functions and transfer major mission activities, including DOMEX (44 positions) and the production of high-priority Strategic Intelligence reports (13 positions), to DEA, with an annual funding increase of \$8,026,000. DOJ will begin the transition in FY 2012. The FY 2013 request represents the ongoing cost for the 57 positions and functions transferred to DEA.	57	57	\$8,026
<u>Professional Responsibility Advisory Office.</u> The component transfers for the Professional Responsibility Advisory Office (PRAO) into the General Administration appropriation will centralize appropriated funding and eliminate the current reimbursable financing process. The centralization of the funding is administratively advantageous because it eliminates the paper-intensive reimbursement process.			(\$36)
<u>Office of Information Policy.</u> The component transfers for the Office of Information Policy (OIP) into the General Administration appropriation will centralize appropriated funding and eliminate the current reimbursable financing process. The centralization of the funding is administratively advantageous because it eliminates the paper-intensive reimbursement process.			(\$394)
<u>Law Enforcement Radios.</u> In FY 2013, the funding for the Department's Radio/Interoperability program is being realigned. This change will generate savings and allow the Department to increase our investments in improved technology and interoperability. As part of the realignment, base operations and maintenance (O&M) funding for radios is being transferred back to components. For FY 2013, the O&M transfer amount is \$13,800,000.			\$13,800
<u>JCON and JCON S/TS.</u> A transfer of \$403,000 is included in support of the Department's Justice Consolidated Office Network (JCON) and JCON S/TS programs which will be moved to the Working Capital Fund and provided as a billable service in FY 2013.			\$403
<u>Joint Automated Booking System.</u> A transfer of \$1,900,000 is included in support of the Department's Justice Automated Booking System program which will be moved to the Working Capital Fund and provided as a billable service in FY 2013.			\$1,900
<u>Increases</u>			
<u>2013 Pay Raise.</u> This request provides for a proposed 0.5 percent pay raise to be effective in January of 2013. The increase only includes the general pay raise. The amount of the request, \$3,676,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$2,513,000 for pay and \$1,163,000 for benefits).			\$3,676
<u>Legacy Radio O&M.</u> In FY 2013, the funding for the Department's Radio/Interoperability program is being realigned. This change will generate savings and allow the Department to increase our investments in improved technology and interoperability. As part of the realignment, base operations and maintenance (O&M) funding for radios is being transferred back to components. In order to fully fund the O&M requirements, an ATB increase of \$600,000 is requested for FY 2013.			\$600

Exhibit E

E. Justification for Base Adjustments

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Retirement.</u> 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 \$2,183,000 is necessary to meet our increased retirement obligations as a result of this conversion.			\$2,183
<u>FERS Rate Increase.</u> On June 11, 2010, the Board of Actuaries of the Civil Service Retirement System recommended a new set of economic assumptions for the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). In accordance with this change, effective October 1, 2011 (FY 2012), the total Normal Cost of Regular retirement under FERS will increase from the current level of 12.5% of pay to 12.7%. The total FERS contribution for Law Enforcement retirement will increase from 27.0% to 27.6%. This will result in new agency contribution rates of 11.9% for normal costs (up from the current 11.7%) and 26.3% for law enforcement personnel (up from the current 25.7%). The amount requested, \$2,603,000, represents the funds needed to cover this increase.			\$2,603
<u>Employees Compensation Fund.</u> The \$668,000 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.			\$668
<u>Health Insurance.</u> Effective January 2013, this component's contribution to Federal employees' health insurance premiums increased by 8.5 percent. Applied against the 2012 estimate of \$55,854,000, the additional amount required is \$4,764,000.			\$4,764
<u>Changes in Compensable Days.</u> The increased cost for one compensable day in FY 2013 compared to FY 2012 is calculated by dividing the FY 2012 estimated personnel compensation \$761 million and applicable benefits \$264 million by 260 compensable days.			\$3,948
<u>General Services Administration (GSA) Rent.</u> GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$10,088,000 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 2013 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.			\$10,088
<u>Security Charges.</u> Guard Service includes those costs paid directly by DOJ and those paid to Department of Homeland Security (DHS). The requested increase of \$945,000 is required to meet our commitment to DHS and other security costs.			\$945
<u>International Cooperative Administrative Support Services (ICASS).</u> 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 projected FY 2011 bill for post invoices and other ICASS costs.			\$2,928

Exhibit E

E. Justification for Base Adjustments

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>	
<u>Overseas Capital Security Cost Sharing (CSCS).</u> Overseas Capital Security Cost Sharing (CSCS). The Department of State (DOS) is in the midst of a 14-year, \$17.5 billion embassy construction program, with a plan to build and maintain approximately 150 new diplomatic and consular compounds. DOS allocates these costs through a Capital Security Cost Sharing Program in which each agency contributes funding. The estimated cost to DEA in FY 2013 is less than amounts charged in prior years. The ATB decrease requested in the amount of \$8,831,000 for CSCS reflects the reduced FY 2013 estimate.			(\$8,831)	
<u>Government Leased Quarters (GLQ) Requirement - object class 12.1.</u> 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. \$1,667,000, reflects the change in cost to support existing staffing levels.			\$1,667	
	Total Increase:	57	57	\$48,938
<u>Decreases</u>				
	Total Decrease:	0	0	\$0
	Total ATB:	57	57	\$48,938

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E. Justification for Base Adjustments

Justification for Base Adjustments Drug Enforcement Administration Diversion Control Fee Account

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Increases</u>			
<u>2013 Pay Raise.</u> This request provides for a proposed 0.5 percent pay raise to be effective in January of 2013. The increase only includes the general pay raise. The amount of the request, \$626,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$502,000 for pay and \$124,000 for benefits).			\$626
<u>Annualization of additional positions approved in FY 2011 and FY 2012.</u> A total of \$10,606,000 is required for the third year annualization of 174 additional positions received in FY 2011. Because the DEA's Diversion Control Program is funded through fee collections, it was not subject to a CR in FY 2011. It also added 124 positions in FY 2012. The second year annualization for these positions in FY 2013 is a net decrease of \$600,000. The total request is \$10,006,000.	0	62	\$10,006

	2012 Increases (\$000)	Annualization Required for 2013 (\$000)
Annual salary rate of 124 new positions	\$7,204	\$10,292
Less lapse (50 %)	\$3,602	\$5,146
Net Compensation	\$3,602	\$5,146
Associated employee benefits	\$1,719	\$2,479
Travel	\$8	\$408
Transportation of Things	\$261	\$420
Other Rental Payments		\$27
Communications/Utilities	\$302	\$309
Printing/Reproduction	\$3	\$3
Other Contractual Services:		
25.2 Other Services	\$4,389	-\$1,382
25.3 Purchase of Goods and Services from Government Ac	\$401	-\$62
25.4 Operation and Maintenance of Facilities		\$0
25.6 Medical Care	\$307	-\$244
Supplies and Materials	\$434	\$18
Equipment and Land and Structures	\$1,092	-\$7,722
TOTAL COSTS SUBJECT TO ANNUALIZATION	\$12,518	-\$600

Exhibit E

E. Justification for Base Adjustments

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Increase On-board Staffing.</u> DEA is requesting \$8,034,000 for personnel costs in order to fill an additional 87 positions in FY 2013, bringing DEA's onboard total to 1,336 (89 percent) out of 1,497 authorized positions.			\$8,034
<u>TDS Task Force Officers and Administrative Contractors.</u> Additional adjustments to base are requested to fund State and Local Task Force Officers and administrative contractors that are supporting new TDSs. An additional \$6,198,000 is required in FY 2013 for 62 additional task force officers and 16 additional contractors.			\$6,198
<u>Retirement.</u> 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 \$253,000 is necessary to meet our increased retirement obligations as a result of this conversion.			\$253
<u>FERS Rate Increase.</u> On June 11, 2010, the Board of Actuaries of the Civil Service Retirement System recommended a new set of economic assumptions for the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). In accordance with this change, effective October 1, 2011 (FY 2012), the total Normal Cost of Regular retirement under FERS will increase from the current level of 12.5% of pay to 12.7%. The total FERS contribution for Law Enforcement retirement will increase from 27.0% to 27.6%. This will result in new agency contribution rates of 11.9% for normal costs (up from the current 11.7%) and 26.3% for law enforcement personnel (up from the current 25.7%). The amount requested, \$329,000, represents the funds needed to cover this increase.			\$329
<u>Employees Compensation Fund.</u> The \$85,000 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.			\$85
<u>Health Insurance.</u> Effective January 2013, this component's contribution to Federal employees' health insurance premiums increased by 8.5 percent. Applied against the 2012 estimate of \$7,196,000, the additional amount required is \$614,000.			\$614
<u>Changes in Compensable Days.</u> The increased cost for one compensable day in FY 2013 compared to FY 2012 is calculated by dividing the FY 2012 estimated personnel compensation \$137 million and applicable benefits \$28 million by 260 compensable days.			\$642
<u>General Services Administration (GSA) Rent.</u> GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$3,227,000 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 2013 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.			\$3,227

Exhibit E

E. Justification for Base Adjustments

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Government Leased Quarters (GLQ) Requirement - object class 12.1.</u> 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. \$545,000 reflects the change in cost to support existing staffing levels.			\$545
<u>Post Allowance - Cost of Living Allowance (COLA) - object class 12.1.</u> 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. \$3,000 reflects the increase in cost to support existing staffing levels.			\$3
<u>Education Allowance - object class 12.1.</u> 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. \$1,000 reflects the change in cost to support existing staffing levels.			\$1
	Total Increase:	062	\$30,563
<u>Decreases</u>			
	Total Decrease:	00	\$0
	Total ATB:	062	\$30,563

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E. Justification for Base Adjustments

Justification for Base Adjustments
Drug Enforcement Administration
Construction Account

	<u>POS</u>	<u>FTE</u>	<u>Amount</u>
<u>Non-recurrence of Non-personnel Increases.</u> For FY 2012, \$10,000,000 was received in no-year construction funding to address increased space demands at the El Paso Intelligence Center (EPIC).	0	0	-\$10,000
Total Decrease:	0	0	-\$10,000
Total ATB:	0	0	-\$10,000

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F. Crosswalk of FY 2011 Availability

Crosswalk of 2011 Availability Drug Enforcement Administration Salaries and Expenses (Dollars in Thousands)

	FY 2011 Enacted without Balance Rescissions			Balance Rescissions			Reprogrammings / Transfers			Carryover	Recoveries	2011 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
International Enforcement	1,074	1,030	406,365	0	0	0	0	0	74,785	17,144	268	1,074	1,030	498,563
Domestic Enforcement	7,294	7,256	1,603,678	0	0	0	0	0	56,844	81,543	12,368	7,294	7,256	1,754,433
State and Local Assistance	31	29	5,600	0	0	0	0	0	313	1,759	0	31	29	7,671
Total	8,399	8,315	\$2,015,643	0	0	\$0	0	0	\$131,942	\$100,446	\$12,636	8,399	8,315	\$2,260,667
Reimbursable FTE		1,310			0			0					1,310	
Total FTE		9,625			0			0					9,625	
Other FTE														
LEAP		1,025			0			0					1,025	
Overtime		62			0			0					62	
Total Compensable FTE		10,712			0			0					10,712	

Rescissions: DEA rescinded \$4,039,000.

Transfers: Transfers for DEA total \$131,941,734:

- 1) \$60,551,632 has been transferred from expired accounts to DEA;
- 2) \$8,283,400 has been transferred from COPS to DEA;
- 3) \$49,283,000 has been transferred from State Department to DEA;
- 4) \$1,632,689 has been transferred from DEA to WMO;
- 5) \$15,456,391 has been transferred from HIDTA to DEA;

Carryover: DEA has carried forward \$100,445,928 in unobligated balances from FY 2010 to FY 2011 from S&E no-year, S&E multi-year, and VCRP appropriations.

Recoveries: DEA recovered \$7,334,430 in prior year obligations from S&E no-year, S&E multi-year, and VCRP. DEA also collected \$4,323,415 in vehicle proceeds and received \$978,229 in refunds.

Exhibit F

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F. Crosswalk of 2011 Availability

Crosswalk of 2011 Availability Drug Enforcement Administration Diversion Control Fee Account (Dollars in Thousands)

Decision Unit	FY 2011 Collections*			Reprogrammings / Transfers			Carryover	Recoveries	2011 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
Diversion Control Fee Account	1,373	1,282	242,674	0	0	0	68,090	14,464	1,373	1,282	325,228
TOTAL	1,373	1,282	\$242,674	0	0	\$0	\$68,090	\$14,464	1,373	1,282	\$325,228
Reimbursable FTE										0	
Total FTE		1,282			0					1,282	
Other FTE											
LEAP		45			0					45	
Overtime		15			0					15	
Total Compensable FTE		1,342			0					1,342	

*Collections: In FY 2011, fee collections were \$242,674,000 (after the first \$15 million was deposited into the Treasury General Account), which is \$47,630,000 below the FY 2011 budget amount of \$290,304,000.

The FY 2011 collection shortfall will be covered through prior year carryover and recoveries until the fee structure is revised in FY 2012.

Exhibit F

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F. Crosswalk of 2011 Availability

Crosswalk of 2011 Availability Drug Enforcement Administration Construction Account (Dollars in Thousands)

Decision Unit	FY 2011 Enacted			Reprogrammings / Transfers			Carryover	Recoveries	2011 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
Construction	0	0	0	0	0	0	106	0	0	0	106
TOTAL	0	0	\$0	0	0	\$0	\$106	\$0	0	0	\$106
Reimbursable FTE										0	
Total FTE		0			0					0	
Other FTE											
LEAP										0	
Overtime										0	
Total Compensable FTE		0			0					0	

Carryover: DEA has carried forward \$106,159 in unobligated balances from FY 2010 to FY 2011 from its Construction account.

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G. Crosswalk of 2012 Availability

Crosswalk of 2012 Availability Drug Enforcement Administration Salaries and Expenses (Dollars in Thousands)

	FY 2012 Enacted Without Rescissions			Rescissions			Reprogrammings / Transfers			Carryover	Recoveries	2012 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
International Enforcement	1,074	1,030	417,670	0	0	0	0	0	21,058	18,524	34	1,074	1,030	457,286
Domestic Enforcement	7,199	7,161	1,601,690	0	0	(10,000)	0	0	28,904	37,632	12,240	7,199	7,161	1,670,466
State and Local Assistance	31	29	5,640	0	0	0	0	0	258	994	514	31	29	7,407
Total	8,304	8,220	\$2,025,000	0	0	(\$10,000)	0	0	\$50,220	\$57,150	\$12,789	8,304	8,220	\$2,135,159
Reimbursable FTE		1,311			0			0					1,311	
Total FTE		9,531			0			0					9,531	
Other FTE														
LEAP		1,012			0			0					1,012	
Overtime		63			0			0					63	
Total Compensable FTE		10,606			0			0					10,606	

Rescissions: DEA is cancelling \$10,000,000 in unobligated balances.

Transfers: Total transfers for DEA total \$50,220,091 of which \$50,000,000 is anticipated:

- 1) \$50,000,000 is anticipated transfers from expired accounts to DEA's no-year account;
- 2) \$220,091 has been transferred from HIDTA to DEA;

Carryover: DEA has carried forward \$57,150,408 in unobligated balances from FY 2011 to FY 2012 from S&E no-year, S&E multi-year, and VCRP appropriations.

Recoveries: DEA anticipates the recovery of \$12,789,000 in prior year obligations from S&E no-year, S&E multi-year, and VCRP appropriations.

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G. Crosswalk of 2012 Availability

Crosswalk of 2012 Availability Drug Enforcement Administration Diversion Control Fee Account (Dollars in Thousands)

Decision Unit	FY 2012 Projected Collections*			Reprogrammings / Transfers			Carryover	Recoveries	2012 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
Diversion Control Fee Account	1,497	1,431	305,941	0	0	0	41,727	14,034	1,497	1,431	361,702
TOTAL	1,497	1,431	\$305,941	0	0	\$0	\$41,727	\$14,034	1,497	1,431	\$361,702
Reimbursable FTE										0	
Total FTE		1,431			0					1,431	
Other FTE											
LEAP		67			0					67	
Overtime		17			0					17	
Total Compensable FTE		1,515			0					1,515	

*Collections: In FY 2012, fee collections are estimated at \$305,941,000 (after the first \$15 million is deposited into the Treasury General Account), which is \$16,059,000 below the FY 2012 budget amount of \$322,000,000.

Collections and Recoveries are estimates based on the new fee rule to be published in FY 2012.

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G. Crosswalk of 2012 Availability

Crosswalk of 2012 Availability Drug Enforcement Administration Construction Account (Dollars in Thousands)

Decision Unit	FY 2012 Enacted Without Rescissions			Reprogrammings / Transfers			Carryover	Recoveries	2012 Availability		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
Construction	0	0	10,000						0	0	10,000
TOTAL	0	0	\$10,000	0	0	\$0	\$0	\$0	0	0	\$10,000
Reimbursable FTE										0	
Total FTE		0			0					0	
Other FTE											
LEAP		0			0					0	
Overtime		0			0					0	
Total Compensable FTE		0			0					0	

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H. Summary of Reimbursable Resources

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

Collections by Source	2011 Enacted			2012 Enacted			2013 Request			Increase/Decrease		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Organized Crime Drug Enforcement	1,238	1,238	190,797	1,238	1,238	191,641	1,214	1,214	187,022	(24)	(24)	(4,619)
Regional Drug Intelligence Squads	71	71	10,714	71	71	11,510	71	71	11,652	0	0	142
Assets Forfeiture Fund	0	0	191,894	0	0	191,894	0	0	191,894	0	0	0
Department of Treasury	0	0	250	0	0	250	0	0	250	0	0	0
Office of National Drug Control Policy	0	0	1,264	0	0	1,264	0	0	1,264	0	0	0
Department of State	0	0	5,609	0	0	5,609	0	0	5,609	0	0	0
Department of Justice	0	0	102,779	0	0	102,779	0	0	102,779	0	0	0
Department of Defense	2	2	1,818	2	2	1,818	2	2	1,818	0	0	0
Federal Bureau of Investigation	0	0	142	0	0	142	0	0	142	0	0	0
Misc. Government	0	0	514	0	0	514	0	0	514	0	0	0
Misc. Non-Government	0	0	501	0	0	501	0	0	501	0	0	0
Department of Homeland Security	0	0	2,042	0	0	2,042	0	0	2,042	0	0	0
Budgetary Resources:	1,311	1,311	\$508,323	1,311	1,311	\$509,963	1,287	1,287	\$505,486	(24)	(24)	(\$4,477)

Exhibit H

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I. Detail of Permanent Positions by Category

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

Category	2011 Enacted		2012 Enacted		2013 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)	127	0	127	0	0	0	0	0	127	0
Social Sciences Series (100-199)	5	0	5	0	0	0	0	0	5	0
Intelligence Series (132)	817	78	825	78	42	0	(28)	(28)	839	78
Personnel Management (200-299)	116	0	116	0	0	0	0	0	116	0
Clerical and Office Services (300-399)	1,572	265	1,562	265	15	0	(37)	(37)	1,540	265
Accounting and Budget (500-599)	348	0	348	0	0	0	0	0	348	0
Medical, Dental and Public Health (600-799)	1	0	1	0	0	0	0	0	1	0
Engineering and Architecture Group (800-899)	6	0	6	0	0	0	0	0	6	0
Paralegals / Other Law (900-998)	33	0	33	0	0	0	0	0	33	0
Attorneys (905)	71	0	71	0	0	0	0	0	71	0
Information & Arts (1000-1099)	35	0	35	0	0	0	0	0	35	0
Business & Industry (1100-1199)	71	0	71	0	0	0	0	0	71	0
Physical and Sciences Group (Other than Chemists)(1300-1399)	6	0	6	0	0	0	0	0	6	0
Chemist Series (1320)	330	0	330	0	0	0	(4)	(4)	326	0
Library (1400-1499)	14	0	14	0	0	0	0	0	14	0
Mathematics and Statistics Group (1500-1599)	7	0	7	0	0	0	0	0	7	0
Equipment/Facilities Services (1600-1699)	12	0	12	0	0	0	0	0	12	0
Education Group (1700-1799)	11	0	11	0	0	0	0	0	11	0
Miscellaneous Inspectors Series (1802)	376	0	376	0	0	0	0	0	376	0
Criminal Investigative Series (1811)	4,146	968	4,053	968	0	0	(95)	(95)	3,958	944
Quality Assurance Series (1900-1999)	6	0	6	0	0	0	0	0	6	0
Supply Services (2000-2099)	48	0	48	0	0	0	0	0	48	0
Transportation (2100-2199)	19	0	19	0	0	0	0	0	19	0
Information Technology Mgmt (2210)	208	0	208	0	0	0	0	0	208	0
Ungraded (Wage Grade & Foreign Service Local)	14	0	14	0	0	0	0	0	14	0
Total	8,399	1,311	8,304	1,311	57	0	(164)	(164)	8,197	1,287
Headquarters (Washington, D.C.)	1,706	293	1,706	297	0	0	0	0	1,706	295
U.S. Field	5,932	1,017	5,837	1,013	57	0	(164)	(164)	5,730	991
Foreign Field	761	1	761	1	0	0	0	0	761	1
Total	8,399	1,311	8,304	1,311	57	0	(164)	(164)	8,197	1,287

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I. Detail of Permanent Positions by Category

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

Category	2011 Enacted		2012 Enacted		2013 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	0	2	0	0	0	0	0	2	0
Intelligence Series (132)	87	0	96	0	0	0	0	0	96	0
Personnel Management (200-299)	79	0	79	0	0	0	0	0	79	0
Clerical and Office Services (300-399)	183	0	194	0	0	0	0	0	194	0
Biological Sciences (400-499)	3	0	3	0	0	0	0	0	3	0
Accounting and Budget (500-599)	6	0	6	0	0	0	0	0	6	0
Medical, Dental and Public Health (600-799)	12	0	12	0	0	0	0	0	12	0
Engineering and Architecture Group (800-899)	2	0	2	0	0	0	0	0	2	0
Paralegals / Other Law (900-998)	7	0	7	0	0	0	0	0	7	0
Attorneys (905)	23	0	24	0	0	0	0	0	24	0
Legal Instruments Examining Series (963)	13	0	13	0	0	0	0	0	13	0
Information & Arts (1000-1099)	1	0	1	0	0	0	0	0	1	0
Business & Industry (1100-1199)	1	0	1	0	0	0	0	0	1	0
Physical and Sciences Group (Other than Chemists)(1300-1399)	5	0	5	0	0	0	0	0	5	0
Chemist Series (1320)	23	0	26	0	0	0	0	0	26	0
Library (1400-1499)	4	0	4	0	0	0	0	0	4	0
Mathematics and Statistics Group (1500-1599)	1	0	1	0	0	0	0	0	1	0
Education Group (1700-1799)	2	0	2	0	0	0	0	0	2	0
General Investigative Series (1801)	576	0	626	0	0	0	0	0	626	0
Miscellaneous Inspectors Series (1802)	67	0	67	0	0	0	0	0	67	0
Criminal Investigative Series (1811)	241	0	291	0	0	0	0	0	291	0
Information Technology Mgmt (2210)	30	0	30	0	0	0	0	0	30	0
Total	1,373	0	1,497	0	0	0	0	0	1,497	0
Headquarters (Washington, D.C.)	325	0	334	0	0	0	0	0	334	0
U.S. Field	1,035	0	1,150	0	0	0	0	0	1,150	0
Foreign Field	13	0	13	0	0	0	0	0	13	0
Total	1,373	0	1,497	0	0	0	0	0	1,497	0

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J. Financial Analysis of Program Changes

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

	Domestic Offsets		Foreign Offsets		State & Local Offsets		Program Changes*	
Grades:	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
GS-13	(150)	0					(150)	0
GS-8	(14)	0					(14)	0
Total positions & annual amount	(164)	0	0	0	0	0	(164)	0
Total FTE & personnel compensation	(164)	0	0	0	0	0	(164)	0
Travel and transportation of persons		(842)		(1,004)		(1)	0	(1,847)
Printing		(51)		(3)		0	0	(54)
Advisory and assistance services		(5,573)		(1,075)		(1)	0	(6,649)
Other services		(642)		0		0	0	(642)
Purchases of goods & services from Government accounts		(4,247)		(6,194)		0	0	(10,441)
Operation and maintenance of equipment		(139)		(72)		0	0	(211)
Supplies and materials		(1,881)		(322)		(2)	0	(2,205)
Equipment		(706)		(279)		0	0	(985)
Total, 2013 Program Changes Requested	(164)	(\$14,081)	0	(\$8,949)	0	(\$4)	(164)	(\$23,034)

*Total Offsets do not include a \$15,600,000 Cancellation of Prior Year Unobligated Balances.

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K. Summary of Requirements by Grade

Summary of Requirements by Grade Drug Enforcement Administration Salaries and Expenses

	2011 Enacted w/ Rescissions		2012 Enacted		2013 Request		Increase/Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Grades and Salary Ranges								
Executive Level	2		2		2		0	
SES, \$119,554 - 179,700	72		72		72		0	
GS-15, \$123,758 - 155,500	403		403		403		0	
GS-14, \$105,211 - 136,771	1,332		1,332		1,332		0	
GS-13, \$89,033 - 115,742	3,699		3,616		3,518		(98)	
GS-12, \$74,872 - 97,333	721		721		721		0	
GS-11, \$62,467 - 81,204	413		413		413		0	
GS-10, \$56,857 - 73,917	19		19		19		0	
GS-9, \$51,630 - 67,114	452		452		452		0	
GS-8, \$46,745 - 60,765	385		373		364		(9)	
GS-7, \$42,209 - 54,875	599		599		599		0	
GS-6, \$37,983 - 49,375	82		82		82		0	
GS-5, \$34,075 - 44,293	72		72		72		0	
GS-4, \$30,456 - 39,590	79		79		79		0	
GS-3, \$27,130 - 35,269	42		42		42		0	
GS-2, \$24,865 - 31,292	24		24		24		0	
GS-1, \$22,115 - 27,663	3		3		3		0	
Total, appropriated positions	8,399		8,304		8,197		(107)	
Average SES Salary		\$166,786		\$166,786		\$166,786		
Average GS Salary		\$89,240		\$89,240		\$89,240		
Average GS Grade		12		12		12		

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K. Summary of Requirements by Grade

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

Grades and Salary Ranges	2011 Enacted w/ Rescissions	2012 Enacted	2013 Request	Increase/Decrease
	Pos. Amount	Pos. Amount	Pos. Amount	Pos. Amount
AL	3	3	3	0
SES, \$119,554 - 179,700	2	2	2	0
GS-15, \$123,758 - 155,500	65	65	65	0
GS-14, \$105,211 - 136,771	227	228	228	0
GS-13, \$89,033 - 115,742	557	557	557	0
GS-12, \$74,872 - 97,333	108	108	108	0
GS-11, \$62,467 - 81,204	56	56	56	0
GS-10, \$56,857 - 73,917	0	0	0	0
GS-9, \$51,630 - 67,114	152	270	270	0
GS-8, \$46,745 - 60,765	35	35	35	0
GS-7, \$42,209 - 54,875	119	124	124	0
GS-6, \$37,983 - 49,375	13	13	13	0
GS-5, \$34,075 - 44,293	19	19	19	0
GS-4, \$30,456 - 39,590	7	7	7	0
GS-3, \$27,130 - 35,269	6	6	6	0
GS-2, \$24,865 - 31,292	2	2	2	0
GS-1, \$22,115 - 27,663	1	1	1	0
Total, appropriated positions	1,373	1,497	1,497	0
Average SES Salary	\$177,021	\$177,021	\$177,021	
Average GS Salary	\$88,108	\$88,108	\$88,108	
Average GS Grade	12	12	12	

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L. Summary of Requirements by Object Class

Summary of Requirements by Object Class

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Object Classes	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Direct FTE & personnel compensation	7,288	\$650,982	8,220	\$644,965	8,113	\$605,296	(107)	(\$39,669)
11.3 Other than full-time permanent		7,952		6,750		6,787	0	37
11.5 Total, Other personnel compensation	1,183	113,785	1,075	115,834	1,051	113,467	(24)	(2,367)
Overtime	31		63		62		(1)	0
Other Compensation	1,152		1,012		989		(23)	0
11.8 Special personal services payments		78		384		207	0	(177)
Total	8,471	772,797	9,295	767,933	9,164	725,757	(131)	(42,176)
Other Object Classes:								
12.0 Personnel benefits		335,927		335,350		345,003		9,653
13.0 Other Benefits		0		1		1		
21.0 Travel and transportation of persons		43,595		35,577		32,379		(3,198)
22.0 Transportation of things		13,347		12,356		12,008		(348)
23.1 GSA rent		195,693		202,111		202,199		88
23.2 Moving/Lease Expirations/Contract Parking		32,600		17,860		23,361		5,501
23.3 Comm., util., & other misc. charges		63,261		78,657		78,149		(508)
24.0 Printing and reproduction		1,141		684		632		(52)
25.1 Advisory and assistance services		147,326		91,947		81,111		(10,836)
25.2 Other services		197,185		154,251		141,502		(12,749)
25.3 Purchases of goods & services from Government accounts (Antennas, DHS Sec. Etc.)		89,549		193,551		175,825		(17,726)
25.4 Operation and maintenance of facilities		31,735		14,945		14,647		(298)
25.5 Research and development contracts		0		104		0		(104)
25.6 Medical Care		4,491		4,860		4,837		
25.7 Operation and maintenance of equipment		101,673		71,865		74,540		2,675
25.8 Subsistence and Support of Persons		171		327		248		

Exhibit L

L. Summary of Requirements by Object Class

Object Classes	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
26.0 Supplies and materials		49,695		47,220		44,441		(2,779)
31.0 Equipment		97,718		84,982		75,383		
32.0 Land & Structures		19,959		18,571		18,157		
42.0 Claims		347		726		724		(2)
Total obligations		\$2,198,210		\$2,133,878		\$2,050,904		(\$72,859)
Unobligated balance, start of year		(100,340)		(57,044)		0		
Unobligated balance, end of year		57,044		0		0		
Recoveries of prior year obligations and other collections		(12,636)		0		0		
Rescission/Cancellation of Prior Year Unobligated Balance		0		10,000		15,600		
Unobligated balance expiring or withdrawn		5,306		0		0		
Transfers		(131,942)		(61,834)		(15,600)		
Total DIRECT requirements		2,015,643		2,025,000		2,050,904		
Reimbursable FTE:								
Full-time permanent	1,290		1,311		1,287			
23.1 GSA rent (Reimbursable)		\$7,288		\$7,288		\$7,288		

Exhibit L

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	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
11.1 Direct FTE & personnel compensation	1,227	\$123,087	1,431	138,913	1,493	\$153,645	62	\$14,732
11.3 Other than full-time permanent		1,229		1,726		1,737	0	11
11.5 Total, Other personnel compensation	34	7,390	84	7,763	91	9,180	7	1,417
<i>Overtime</i>	14		17		18		1	0
<i>Other Compensation</i>	20		67		73		6	0
11.8 Special personal services payments		308		230		230	0	0
Total	1,261	132,014	1,515	148,632	1,584	164,792	69	16,160
Other Object Classes:								
12.0 Personnel benefits		33,641		36,726		44,347		7,621
21.0 Travel and transportation of persons		4,895		3,623		4,087		464
22.0 Transportation of things		794		507		947		440
23.1 GSA rent		21,909		24,678		27,905		3,227
23.2 Moving/Lease Expirations/Contract Parking		689		440		1,031		591
23.3 Comm., util., & other misc. charges		4,853		6,488		7,154		666
24.0 Printing and reproduction		2,331		1,004		1,025		21
25.1 Advisory and assistance services		34,469		29,432		29,432		0
25.2 Other services		14,770		12,443		13,743		1,300
25.3 Purchases of goods & services from Government accounts (Antennas, DHS Sec. Etc.)		5,274		30,991		31,458		467
25.4 Operation and maintenance of facilities		2,464		2,735		2,735		0
25.5 Research and development contracts		1		0		0		0

Exhibit L

L. Summary of Requirements by Object Class

Object Classes	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
25.6 Medical Care		369		517		294		
25.7 Operation and maintenance of equipment		7,349		7,115		7,115		0
25.8 Subsistence and Support of Persons		15		7		7		
26.0 Supplies and materials		4,148		4,249		4,740		491
31.0 Equipment		10,872		10,503		9,580		
32.0 Land & Structures		2,636		1,910		2,171		
42.0 Claims		10		0		0		0
Total obligations		\$283,501		\$322,000		\$352,563		\$31,448
Unobligated balance, start of year		(68,090)		(41,727)		(39,702)		
Unobligated balance, end of year		41,727		39,702		36,497		
Recoveries of prior year obligations and OGV Sales		(14,464)		(14,034)		(14,034)		
Total DIRECT requirements		242,674		305,941		335,324		
Reimbursable FTE:								
Full-time permanent	0	\$0	0	\$0	0	\$0		
23.1 GSA rent (Reimbursable)		\$0		\$0		\$0		
25.3 DHS Security (Reimbursable)		\$0		\$0		\$0		

Exhibit L

L. Summary of Requirements by Object Class

Summary of Requirements by Object Class Drug Enforcement Administration Construction Account (Dollars in Thousands)

	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Object Classes								
11.1 Direct FTE & personnel compensation	0	\$0	0	\$0	0	\$0	0	\$0
11.3 Other than full-time permanent		0		0		0	0	0
11.5 Total, Other personnel compensation	0	0	0	0	0	0	0	0
<i>Overtime</i>	0		0		0		0	0
<i>Other Compensation</i>	0		0		0		0	0
11.8 Special personal services payments		0		0		0	0	0
Total	0	0	0	0	0	0	0	0
Other Object Classes:								
12.0 Personnel benefits		0		0		0		0
13.0 Other Benefits		0		0		0		
21.0 Travel and transportation of persons		0		0		0		0
22.0 Transportation of things		0		0		0		0
23.1 GSA rent		0		0		0		0
23.2 Moving/Lease Expirations/Contract Parking		0		0		0		0
23.3 Comm., util., & other misc. charges		0		0		0		0
24.0 Printing and reproduction		0		0		0		0
25.1 Advisory and assistance services		0		0		0		0
25.2 Other services		0		0		0		0
25.3 Purchases of goods & services from Government accounts (Antennas, DHS Sec. Etc.)		0		0		0		0
25.4 Operation and maintenance of facilities		0		0		0		0
25.5 Research and development contracts		0		0		0		0
25.6 Medical Care		0		0		0		0
25.7 Operation and maintenance of equipment		0		0		0		0
25.8 Subsistence and Support of Persons		0		0		0		0

Exhibit L

L. Summary of Requirements by Object Class

Object Classes	2011 Actuals		2012 Estimate		2013 Request		Increase/Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
26.0 Supplies and materials		0		0		0		0
31.0 Equipment		0		0		0		0
32.0 Land & Structures		106		10,000		0		0
42.0 Claims		0		0		0		0
Total obligations		\$106		\$10,000		\$0		\$0
Unobligated balance, start of year		(106)		0		0		0
Unobligated balance, end of year		0		0		0		0
Recoveries of prior year obligations and other collections		0		0		0		0
Rescission		0		0		0		0
Unobligated balance expiring or withdrawn		0		0		0		0
Transfers		0		0		0		0
Total DIRECT requirements		0		10,000		0		
Reimbursable FTE:								
Full-time permanent	0		0		0			
23.1 GSA rent (Reimbursable)		\$0		\$0		\$0		

Exhibit L

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

Status of Congressionally Requested Studies, Reports, and Evaluations

Drug Enforcement Administration

1. The Conference Report (H Rept 112-284) associated with the FY 2012 Consolidated and Further Appropriations Act incorporates language in the House report (H Rept 112-169) concerning a reporting requirement on personnel vacancy rates in DEA field divisions and mechanisms being used to boost recruitment and retention of agents in high vacancy locations. This report is due 120 days after the enactment the Act. DEA is currently reviewing historical field staffing levels and anticipates submitting the report before the March 17, 2012 deadline.
2. The Conference Report (H Rept 112-284) associated with the FY 2012 Consolidated and Further Appropriations Act incorporates language in the House report (H Rept 112-169) regarding DEA's Afghanistan operations. The conferees direct the DEA to report to the Committees on Appropriations not later than 30 days after enactment of this Act on DEA's planned presence and operations activities in Afghanistan, expected transfers of funding from other Departments or agencies, and DEA's direct appropriations requirements for such activities. DEA completed a draft report in December 2011 and is working with DOJ to clear the report.

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N. Financial Analysis of Diversion Control Fee Account

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

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Projected*	FY 2013 Projected*
<u>Congressional Submission</u>	\$118,561	\$154,216	\$201,673	\$212,078	\$239,249	\$244,450	\$251,790	\$290,304	\$322,000	\$352,563
<u>Fiscal Year Financial Status:</u>										
1 Unobligated Balance Carried Forward from Prior Year	\$13,663	\$29,822	\$29,687	\$36,120	\$64,079	\$60,423	\$87,806	\$68,090	\$41,727	\$39,702
2 Receipt Collections	\$134,241	\$152,914	\$163,434	\$219,181	\$235,904	\$249,512	\$245,836	\$257,674	\$320,941	\$350,324
3 Fund Transfer from Salaries and Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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>	<u>-\$15,000</u>	<u>-\$15,000</u>
5 <i>Net Receipt Collections</i>	<i>\$119,241</i>	<i>\$137,914</i>	<i>\$148,434</i>	<i>\$204,181</i>	<i>\$220,904</i>	<i>\$234,512</i>	<i>\$230,836</i>	<i>\$242,674</i>	<i>\$305,941</i>	<i>\$335,324</i>
6 Other Collections	\$71	\$43	\$78	\$118	\$235	\$158	\$209	\$534	\$534	\$534
7 Obligations (Actual / Projected)	-\$105,435	-\$143,228	-\$148,289	-\$179,307	-\$228,277	-\$216,297	-\$267,997	-\$283,501	-\$322,000	-\$352,563
8 Recoveries from Deobligations	<u>\$2,282</u>	<u>\$5,136</u>	<u>\$6,210</u>	<u>\$2,967</u>	<u>\$3,482</u>	<u>\$9,010</u>	<u>\$17,235</u>	<u>\$13,930</u>	<u>\$13,500</u>	<u>\$13,500</u>
9 <i>Net Obligations</i>	<i>-\$103,153</i>	<i>-\$138,092</i>	<i>-\$142,079</i>	<i>-\$176,340</i>	<i>-\$224,795</i>	<i>-\$207,287</i>	<i>-\$250,761</i>	<i>-\$269,571</i>	<i>-\$308,500</i>	<i>-\$339,063</i>
10 Congressional Rescission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENDING BALANCE (Lines 1+5+6+9+10)	\$29,822	\$29,687	\$36,120	\$64,079	\$60,423	\$87,806	\$68,090	\$41,727	\$39,702	\$36,497

* FY 2012 and FY 2013 collection projections assume a new fee rule will be finalized in FY 2012.

Exhibit N

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