

FY 2012

***Interagency Crime and Drug Enforcement
Congressional Budget Submission***



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I. OVERVIEW FOR THE ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE (OCDETF) PROGRAM

A. General Overview

1. Budget Summary

The Organized Crime Drug Enforcement Task Force (OCDETF) Program directly supports Chapter 5 (Disrupt domestic drug trafficking and production) of the 2010 *President's National Drug Control Strategy*; Strategic Goal 2.4 (Reduce the threat, trafficking, use, and related violence of illegal drugs) of the *Department of Justice's FY 2007 – FY 2012 Strategic Plan*; the Strategic Goal and Strategic Objectives of the 2009 *National Southwest Border Counternarcotics Strategy (SWB CN Strategy)*; the 2009 White House and Department of Justice's Southwest Border Strategy; and the 2010 Department of Justice's Strategy for Combating the Mexican Cartels.

The FY 2012 OCDETF Program Request is comprised of 3,339 387 positions, 3,333 FTE, and \$540,966,000 for the Interagency Crime and Drug Enforcement (ICDE) Appropriation. This funding level represents a program change of \$12,397,000 over the FY 2011 Continuing Resolution Level. This Request continues the vital support initiated under the FY 2010 Southwest Border Supplemental by maintaining the 47 Assistant U.S. Attorneys it funded and providing a minimal amount of operational support at the OCDETF Co-located Strike Forces along the border. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.usdoj.gov/jmd/2011justification/>.

The OCDETF Program is the centerpiece of the Department's long-term drug enforcement strategy. It is the Program that coordinates and channels all elements of the federal government – including DHS and the Department of the Treasury – in its efforts against the largest national and international drug-trafficking and money laundering organizations. It provides consistent national policy direction and oversight, with accountability and proven performance results. After more than a quarter century of operations, OCDETF continues to be the vehicle to continue the fight against today's violent Mexican drug cartels and other emerging threats. In FY 2010, OCDETF seized approximately \$460 million in cash and property; and forfeitures amounted to \$618 million. Whereas, the Program received \$529 million in appropriations, it produced a 109 percent return on investment by collecting over \$1 billion in forfeitures and seizures. OCDETF's performance measures ensure that the funds it receives are maximized and used most efficiently.

2. Introduction

The OCDETF Program continues to be the centerpiece of the Justice Department's intra- and inter-agency drug enforcement strategy, pursuing comprehensive, prosecutor-led, multi-agency, intelligence-driven, multi-jurisdictional investigations of major drug trafficking and money laundering organizations that are responsible for the flood of illegal drugs in the United States, and the violence generated by the drug trade. Consistent with the *President's National Drug Control Strategy*, which seeks to "break" the drug market by making the drug trade more costly

and less profitable, OCDETF simultaneously attacks all elements of the most significant drug organizations affecting the United States. These include the international supply sources, their international and domestic transportation organizations, the regional and local distribution networks, and the violent enforcers the traffickers use to protect their lucrative business from their competitors and from the law. At the same time, OCDETF attacks the money flow and firearms trafficking that support the drug trade – depriving drug traffickers of their criminal proceeds and the resources needed to finance future criminal activity. Beginning in FY 2010, one hundred percent of OCDETF investigations initiated have an active financial component.

OCDETF has long recognized that no single law enforcement entity is in a position to disrupt and dismantle sophisticated drug and money laundering organizations alone. OCDETF combines the resources and expertise of its seven federal agency members – the Drug Enforcement Administration (DEA); the Federal Bureau of Investigation (FBI); the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); the U.S. Marshals Service (USMS); the Internal Revenue Service (IRS); the U.S. Immigration and Customs Enforcement (ICE); and the U.S. Coast Guard (USCG) – in cooperation with the Department of Justice’s Criminal Division, the 94 U.S. Attorneys’ Offices, and state and local law enforcement, to identify, disrupt, and dismantle the drug trafficking and money laundering organizations most responsible for the Nation’s supply of illegal drugs and the violence the drug trade generates and fuels. OCDETF works because it effectively leverages the investigative and prosecutorial strengths of each participant to combat drug-related organized crime. The OCDETF Program promotes intelligence sharing and intelligence-driven enforcement and strives to achieve maximum impact through strategic planning and operational coordination.

The OCDETF Program focuses participants on the mission of attacking high-level organizations through coordinated, nationwide investigations. OCDETF coordinates the annual formulation of the Consolidated Priority Organization Target (CPOT) List, a multi-agency target list of the “command and control” elements of the most prolific international drug trafficking and money laundering organizations. The Program also requires its participants to identify major Regional Priority Organization Targets (RPOTs) as part of the annual Regional Strategic Plan process. Program resources are allocated, in part, on the basis of how successfully Program participants focus their efforts on the CPOTs and RPOTs and address the most significant and emerging drug threats. The nature of the OCDETF Program, including its focus on the highest priority targets both nationally and internationally, ensures that drug enforcement resources are used for the greatest impact on the U.S. supply of dangerous drugs.

3. Issues, Outcomes and Strategies

Since FY 2002, OCDETF’s budget requests have proposed a series of enhancements aimed at strategically reducing the nation’s drug supply and maximizing the Program’s performance. Although these requests have not always been successful, and, in fact, cuts in effective funding levels in FY 2008, 2009 and 2010 caused a forced reduction in the Program, OCDETF continually seeks to balance increased investigative resources with appropriate prosecutorial resources. OCDETF’s FY 2012 budget request will enable the Program to continue to disrupt and dismantle the most significant organizations responsible for narcotics trafficking and money laundering activities along the Southwest Border, as well as the associated violence on both sides of the border.

Specifically, OCDETF continues to focus on ensuring that the OCDETF member agencies will continue to develop intelligence-driven strategies and initiatives that identify entire drug trafficking networks, including their financial infrastructure and the channels through which they obtain their weapons, and launch coordinated efforts designed to disrupt and dismantle every component of those networks worldwide.

Department of Justice Strategic Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People

OCDETF's request is in direct support of the Department of Justice's Strategic Objective 2.4: "Reduce the threat, trafficking, use, and related violence of illegal drugs." Providing drug enforcement resources to the OCDETF Program ensures that those resources will be focused on the highest priority drug trafficking and money laundering targets, while leveraging the expertise and existing resources of OCDETF's member agencies from the Departments of Justice, Homeland Security, and Treasury. The disruption and dismantlement of drug trafficking networks operating regionally, nationally, and internationally is a critical component of the supply reduction effort.

President's National Drug Control Strategy Chapter 5: Disrupt Domestic Drug Trafficking and Production

In addition, OCDETF's FY 2012 budget request directly supports Chapter 5 of the 2010 *President's National Drug Control Strategy*: "Disrupt Domestic Drug Trafficking and Production," by providing resources to attack the CPOTs and "Gatekeeper" organizations responsible for drug smuggling, money laundering, violence, murder, and corruption across the Southwest Border. OCDETF continues to focus on intelligence-driven counter-drug operations through the OCDETF Fusion Center and the nine OCDETF Co-Located Strike Forces in Tampa (Panama Express), Puerto Rico (Caribbean Corridor Initiative), San Diego (Major Mexican Trafficking Task Force), Arizona (including Phoenix and Tucson), El Paso, South Texas (including Houston, Laredo, McAllen, and San Antonio), New York, Boston, and Atlanta (the David G. Wilhelm OCDETF Strike Force), and on denying drug traffickers their profits so they are unable to continue their operations.

2009 National Southwest Border Counternarcotics Strategy, Strategic Goal: Substantially Reduce the Flow of Illicit Drugs, Drug Proceeds, and Associated Instruments of Violence across the Southwest Border

OCDETF's FY 2012 budget request also directly supports the 2009 *SWB CN Strategy's 2010 Implementation Plan*, the Strategic Goal of which is to "Substantially reduce the flow of illicit drugs, drug proceeds, and associated instruments of violence across the Southwest Border." OCDETF's focus is designed to enable its member agencies to achieve the six Strategic Objectives of that Goal: (1) enhance intelligence capabilities associated with the Southwest Border; (2) interdict drugs, drug proceeds, and associated instruments of violence, in the air, at the ports of entry, and between the ports of entry along the Southwest Border; (3) ensure the prosecution of all significant drug trafficking, money laundering, bulk currency, and weapons trafficking/smuggling cases; (4) disrupt and dismantle drug trafficking organizations; (5)

enhance counterdrug technologies for drug detection and interdiction along the Southwest Border; and (6) enhance U.S. – Mexico cooperation regarding joint counterdrug efforts.

2009 and 2010 Southwest Border Strategy and Strategy for Combating Mexican Drug Cartels

Finally, OCDETF's FY 2012 budget request directly supports, and is squarely aligned with, President Obama's and Attorney General Holder's announced 2009 Southwest Border Strategy, as well as the 2010 Department of Justice Strategy for Combating the Mexican Cartels. The specific goals of the two Strategies are to systematically degrade the power of the Mexican drug cartels, while simultaneously improving the capacity of the Mexican law enforcement institutions to confront the cartels domestically. The desired outcomes of the Strategies are to (1) increase the security of U.S. citizens along the Southwest Border and throughout the country; (2) reduce the flow of contraband, primarily drugs, entering the United States; and (3) reduce the flow of weapons and illegal cash into Mexico. The specific law enforcement strategy to be pursued to achieve those desired outcomes is to continue to foster coordinated, nationwide investigations and prosecutions that inflict maximum damage on the cartels by incapacitating, through incarceration, large segments of the leadership cadres of the cartels, along with as many subordinate cartel members and facilitators as possible, while simultaneously destroying the financial infrastructure of the cartels through seizure and forfeiture of cartel assets. Both of the Department's Strategies specifically embrace the OCDETF model to achieve their comprehensive, proactive goals.

4. OCDETF Program Costs

OCDETF's budget request only includes funding to reimburse participating OCDETF agencies from the Department of Justice. Funding for OCDETF participation by non-Justice agencies is sought in the budget requests of their respective Departments.

The Decision Units reflect the OMB-approved structure, Investigations and Prosecutions. The administrative program support provided by the OCDETF Executive Office is pro-rated between those two Decision Units, based upon the percentage of total appropriated ICDE Program funding attributable to the member agencies within each Decision Unit.

Investigations Decision Unit – This decision unit includes the resources that support investigative activities of the following participating agencies: ATF, DEA, FBI, and USMS. Also included are the resources that support the intelligence activities of OCDETF's member agencies and the OCDETF Fusion Center. Investigative activities by ICE, USCG, and IRS in support of the OCDETF Program are funded out of the direct appropriations of their respective Departments – DHS for ICE and USCG and Treasury for IRS.

Investigative expenses include: Purchase of Evidence/Payment for Information (PE/PI), mission-related travel, training, operational funding, supplies, electronic surveillance costs, and other equipment costs. Intelligence expenses include: basic and advanced training, software, workstations, desktop and laptop computers, other equipment costs, and mission-related travel.

Prosecutions Decision Unit – This decision unit includes the reimbursable prosecution resources situated at the 94 U.S. Attorneys’ Offices around the country (executed through the Executive Office for U.S. Attorneys (EOUSA)) and at the Criminal Division of the Department of Justice (executed through attorneys in the Criminal Division and the OCDETF Executive Office).

Prosecution-related expenses include: case-related travel; training; printing and reproduction of court documents and court instruments; filing and recording fees; reporting and transcripts for deposition, grand jury, and court proceedings; litigation support; litigation graphics; fees for the reproduction of financial records; stenographic/interpreter services; translation expenses for securing foreign evidence and extradition; supplies and materials; and Automated Data Processing (ADP) and other equipment.

5. OCDETF Performance Challenges

The following are examples of some of the most significant performance challenges that OCDETF must confront.

External Challenges: A number of external factors could affect the OCDETF Program’s ability to achieve its strategic goals and objectives. These external factors include:

National Priorities: Law enforcement is required to respond to emergency or special situations, including terrorist incidents, national disasters, and other similar events. Depending upon the nature of the event, the priorities – and perhaps even the mission – of a federal law enforcement agency may be temporarily or permanently altered. For example, following the September 11, 2001, terrorist attacks, most OCDETF member agency direct-funded resources were diverted, at least temporarily, and some participants permanently redirected resources to counter-terrorism. In addition, the spike in drug-related violence along the Southwest Border in recent years, together with the increasing northward flow of illegal aliens seeking refuge in the U.S., has challenged OCDETF to maintain its focus on, and direct its resources to its core mission: disrupting and dismantling the major drug trafficking organizations that are the source of the illegal drug supply in the U.S. While the Southwest Border violence is largely a by product of warring drug traffickers and increasing pressure on the drug cartels by the Government of Mexico, and while OCDETF emphasizes the need in all OCDETF investigations to dismantle the financial infrastructure of the drug trafficking organizations and root out their sources of illegal weapons, the intensity of the violence and the volume of illegal immigration has caused some of the OCDETF member agencies to divert their scarce resources to responding to individual instances of criminal activity that are the result of the larger problem rather than to attacking its root cause by systematically and thoroughly dismantling the criminal organizations behind it.

Local Government: State and local law enforcement agencies participate in approximately 90 percent of OCDETF investigations nationwide. Changes in the fiscal posture or policies of state and local governments can have dramatic effects on the capacity of state and local agencies to remain effective law enforcement partners.

In addition, many state and local law enforcement officers serve as reservists and are called away for military duty.

Globalization: Issues of criminal justice increasingly transcend national boundaries, requiring the cooperation of foreign governments and involving treaty obligations and other foreign policy concerns. The nature of the relationships between the U.S. and particular foreign governments can dramatically impact law enforcement's ability to conduct operations against international sources of supply, to freeze and seize foreign assets, to apprehend fugitives in foreign countries, and to extradite defendants to stand trial in the U.S. For example, despite significant recent improvement, there remain ongoing difficulties in securing the extradition of major drug traffickers from several important foreign countries. In addition, elections in other countries could cause internal shifts in criminal activity, such as the upsurge in violence in Mexico since the 2006 election of President Calderon and the implementation of his government's drug enforcement strategy, and could also significantly affect relationships that facilitate or impede international law enforcement activities and cooperation.

Technology: Advances in telecommunications and widespread use of the Internet are creating new opportunities for criminals, new classes of crimes, and new challenges for law enforcement. These technologies enable drug traffickers and money launderers to conduct their unlawful activities in ways that impede the effective use of traditional physical and electronic surveillance techniques, which otherwise are the most powerful means to infiltrate the highest levels of these organizations. Use of the Internet also makes it more difficult for law enforcement to identify the base of operations of certain criminal organizations.

Internal Challenges: OCDETF currently faces a number of internal challenges. These include:

Resources: The OCDETF Program continues to review its resources to determine the correct balance of personnel costs and operational costs that will maximize the performance of the Program.

Competing Agency Priorities: OCDETF is a Program comprised of multiple federal agencies from three separate Executive Branch Departments. Each Department and member agency has mandated its own priorities for carrying out its part of the fight against illegal drugs. OCDETF member agencies may decide to fund their drug enforcement operations with monies from their direct appropriations, which they may use at their own discretion, rather than to use OCDETF-allocated funds that they are accountable to OCDETF for using in support of the consolidated, multi-agency OCDETF mission. OCDETF must unite those agencies behind one single mission and ensure accountability for Program performance in an environment of competing philosophies and funding priorities in three different departments. This task is particularly challenging with non-Justice agencies. In order to encourage these agencies to continue their participation in the Program now that they are no longer funded through the DOJ OCDETF appropriation, OCDETF relies on its proven track

record of success, along with the agencies' historical commitment to the OCDETF mission and approach.

Performance Measurement: Measuring Program success is complicated by the fact that drug supply reduction is a reflection of a number of factors, including drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes and even natural disasters. While Program results are not easily measurable, particularly over the span of a single year, it is possible to discern some measures of success.

Performance data collected by the OCDETF Executive Office evaluates outputs and outcomes at the district and regional levels. OCDETF is also developing performance metrics that capture the true impact of the National Program. Specifically, OCDETF must be able to demonstrate the effect of disrupting and dismantling international, national, and regional organizations on drug supply and drug availability. OCDETF must similarly develop measures that demonstrate the impact of financial investigations and asset seizures on unlawful financial activity.

Balance of Direct and OCDETF-Funded Resources: Experienced OCDETF attorneys and agents are necessary to investigate and prosecute large-scale, sophisticated drug enterprises operating nationally and internationally. However, many OCDETF investigations against major supply organizations originate as non-OCDETF drug investigations targeting smaller drug networks and violent drug offenders. Thus, both direct-funded and OCDETF-funded resources are essential for effective drug supply reduction, and appropriate staffing levels must be maintained in each category.

Data Collection: Processes for case tracking, time reporting, and overtime tracking vary from agency to agency and from region to region, resulting in inconsistencies in data and difficulties in monitoring compliance with OCDETF policies, procedures, and guidelines. The different processes can also complicate efforts to develop and monitor standard performance measures. OCDETF resolves these inconsistencies and complications as they occur by conducting regular reviews with its member agencies, addressing these data issues and implementing corrective measures.

**Interagency Crime and Drug Enforcement (ICDE)
FY 2012 Summary of Resources
(Dollars in Thousands)**

Estimate by Program	FY 2011 Continuing Resolution				FY 2012 ATBs				FY 2012 Program Enhancements				FY 2012 Program Offsets				FY 2012 President's Budget			
	Perm. Pos.	Agents/Atty	WY	Amount	Perm. Pos.	Agents/Atty	WY	Amount	Perm. Pos.	Agents/Atty	WY	Amount	Perm. Pos.	Agents/Atty	WY	Amount	Perm. Pos.	Agents/Atty	WY	Amount
Law Enforcement:																				
Drug Enforcement Administration	1,309	968	1,309	203,203	0	0	0	-1,050	0	0	0	681	0	0	0	-200	1,309	968	1,309	204,734
Federal Bureau of Investigation	857	541	857	140,208	0	0	0	713	0	0	0	293	0	0	0	-137	857	541	857	141,075
United States Marshals Service	41	39	41	8,689	0	0	0	55	0	0	0	105	0	0	0	-12	41	39	41	8,833
Alcohol, Tobacco, Firearms & Explosives	54	53	54	11,689	0	0	0	65	0	0	0	95	0	0	0	-13	54	53	54	11,832
Immigration and Customs Enforcement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Internal Revenue Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
U.S. Coast Guard	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OCDETF Executive Office (OFC)	1	0	1	11,776	0	0	0	0	0	0	0	0	0	0	0	-15	1	0	1	11,761
Subtotal:	2,262	1,601	2,262	375,559	0	0	0	1,883	0	0	0	1,174	0	0	0	-377	2,262	1,601	2,262	378,235
Prosecution:																				
United States Attorneys	1,027	555	975	145,009	0	0	0	769	47	47	47	8,126	0	0	0	-149	1,074	602	1,022	153,755
Criminal Division	14	10	14	2,076	9	7	9	-1,803	0	0	0	0	0	0	0	-3	23	17	23	3,877
OCDETF EXO Threat Response Unit	3	3	3	327	0	0	0	9	0	0	0	0	0	0	0	-3	3	3	3	333
Subtotal:	1,044	568	992	147,412	9	7	9	2,581	47	47	47	8,126	0	0	0	-154	1,100	622	1,048	157,965
Administrative Support:																				
Executive Office	25	9	23	5,602	0	0	0	-831	0	0	0	0	0	0	0	-5	25	9	23	4,766
Subtotal:	25	9	23	5,602	0	0	0	-831	0	0	0	0	0	0	0	-5	25	9	23	4,766
TOTAL OCDETF:	3,331	2,178	3,277	528,569	9	7	9	3,633	47	47	47	9,300	0	0	0	-536	3,387	2,232	3,333	540,966

II. Summary of Program Increase

FY 2011 Summary of Program Increases Interagency Crime and Drug Enforcement (Dollars in thousands)

Item Name (Program Increases)	Description				Page
		Pos.	FTE	Dollars (\$000)	
Southwest Border Violence Initiative	This request will address prosecutorial and enforcement activities, intelligence coordination and field operations along the Southwest Border.	47	47	\$9,300	35

Program Increases by Decision Unit to Strategic Goal

Item Name	Strategic Goal	Decision Unit	Dollars (\$\$\$)	Number and Type of Positions	
				Positions Series	No. of Positions in Series
Southwest Border Violence Initiative	2	Investigations	\$1.174	132	0
				300-399	0
				1801	0
				1811	0
		Prosecutions	\$8.126	300-399	0
				905	47
				900-988	0
				1000-1099	0

III. Summary of Program Decreases

**FY 2011 Summary of Program Decreases
Interagency Crime and Drug Enforcement
(Dollars in thousands)**

Item Name	Description				Page
		Pos.	FTE	Dollars (\$000)	
Administrative Efficiencies		0	0	(\$535)	
Extend Tech Refresh		0	0	(\$1)	

Program Decreases by Decision Unit to Strategic Goal

Item Name	Decision Unit	Strategic Goal	FTE	Dollars (\$\$\$)	Number and Type of Positions	
					Position Series	No. of Positions in Series
Administrative Efficiencies	Investigations/ Prosecutions	2	0	(\$535)	0	0
Extend Tech Refresh	Investigations/ Prosecutions	2	0	(\$1)	0	0

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IV. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the identification, investigation, and prosecution of individuals associated with the most significant drug trafficking and affiliated money laundering organizations not otherwise provided for, to include inter-governmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, \$540,966,000, of which \$50,000,000 shall remain available until expended: Provided, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution

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III. Decision Unit Justification

A. Investigations

Investigations TOTAL	Perm. Pos.	FTE	Dollars \$(000)
2010 Enacted with Rescissions	2,280	2,278	379,542
2010 Supplemental	0	0	9,870
2010 Enacted w/Rescissions & Supplementals	2,280	2,278	389,412
2011 CR	2,280	2,278	379,542
Adjustments to Base and Technical Adjustments	0	0	1,279
2012 Current Services	2,280	2,278	380,821
2012 Program Increases	0	0	1,174
2012 Offsets	0	0	(430)
2012 Request	2,280	2,278	381,565
Total Change 2011 CR-2012	0	0	2,023

Investigations –Information Technology Breakout	Perm. Pos.	FTE	Dollars \$(000)
2010 Enacted with Rescissions	26	26	15,802
2010 Supplemental	0	0	0
2010 Enacted w/Rescissions & Supplementals	26	26	15,802
2011 CR	26	26	15,802
Adjustments to Base and Technical Adjustments	0	0	0
2012 Current Services	26	26	15,802
2012 Program Increases	0	0	0
2012 Offsets	0	0	(15)
2012 Request	26	26	15,782
Total Change 2011 CR -2012	0	0	0

1. Program Description

The FY 2012 request for the Investigations Activity is 2,280 reimbursable positions, 2,278 work-years, and \$381,565,000.

OCDETF investigations cannot be conducted without the cooperation of OCDETF's various member agencies. OCDETF investigations require a mix of skills, experience, and enforcement jurisdiction, which no single agency possesses. The Program's strength is its ability to draw upon the combined skills, expertise, and techniques of each participating agency, both within, and outside of, the Department of Justice (the non-Justice agencies are funded by their own Departments). The OCDETF law enforcement agencies, which provide investigative and intelligence efforts on OCDETF cases are identified below:

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) agents focus on major drug traffickers who also have violated laws related to the illegal trafficking and misuse of firearms and explosives. A significant portion of today's violent crime is directly associated with the distribution of drugs by sophisticated organizations. Firearms often serve as a form of payment for drugs and, together with explosives and arson, are used as tools by drug organizations for purposes of intimidation, enforcement and retaliation against their own members, rival organizations, law enforcement, or the community in general. Thus, ATF's jurisdiction and expertise make it a well-suited partner in the fight against illegal drugs.

Drug Enforcement Administration (DEA) is the agency most actively involved in the OCDETF Program with an average participation rate in investigations that has continually exceeded 80 percent. DEA is the only federal agency in OCDETF that has drug enforcement as its sole mission. The agency's vast experience in this field, its knowledge of international drug rings, its relationship with foreign law enforcement entities, and its working relationships with State and local authorities all have made DEA essential to the OCDETF Program.

Federal Bureau of Investigation (FBI) brings to OCDETF its extensive expertise in the investigation of traditional organized crime, public corruption and white collar/financial crimes. The FBI uses its skills to gather and analyze intelligence data and undertake sophisticated electronic surveillance. Although the FBI reorganized its direct drug resources following the events of September 11, 2001, it remains committed to the OCDETF Program and to the goal of targeting major drug trafficking organizations and their financial infrastructure.

Internal Revenue Service-Criminal Investigation (IRS) agents work to dismantle and disrupt major drug-related money laundering organizations by applying their unique financial skills to investigate all aspects of the organizations' illegal activities. The IRS uses the tax code, money laundering statutes, and asset seizure/forfeiture laws to thoroughly investigate the financial operations of targeted organizations. Given the OCDETF Program's concentration on identifying and destroying the financial systems that support the drug trade, and on seizing the assets and profits of major criminal organizations, IRS is a vital participant in the Program.

U.S. Immigration and Customs Enforcement (ICE) agents contribute valuable financial and drug investigative expertise and intelligence to the OCDETF Program as a direct result of the agency's responsibility for identifying and dismantling vulnerabilities affecting the Nation's border. The vast majority of drugs sold in this country are not produced domestically; the drugs themselves, or their essential precursor chemicals, are smuggled across one of our borders and transported for distribution throughout the country. ICE agents have a wide array of Customs and Immigration authorities at their disposal to support the Program, whether it be targeting high-risk vessels, containers, vehicles, or persons for inspection, or using their immigration expertise to ensure the arrest and prosecution of significant alien targets. In addition, ICE personnel are an invaluable asset in regional, national, and international money laundering investigations due to their financial investigative expertise.

United States Coast Guard (USCG) is primarily focused on drug interdiction and has found itself in a unique position to support the work of OCDETF. Although OCDETF does not fund USGS positions, the USCG is the maritime expert for the Program, particularly in the coastal OCDETF regions, and provides valuable intelligence and guidance on cases with maritime

connections. USCG personnel also serve as liaisons with the military services and the National Narcotics Border Interdiction System.

United States Marshals Service (USMS) is the agency responsible for the apprehension of OCDETF fugitives. Fugitives are typically repeat offenders who flee apprehension and continue their criminal enterprises elsewhere. Currently, there are over 7,300 OCDETF fugitives nationwide. The USMS also has responsibility for the pre-seizure investigation of assets in complex cases. The USMS has entered into a formal commitment with the U.S. Attorneys' Offices to ensure that all major drug trafficking cases involving real property, ongoing businesses, out-of-district assets, and anything that is perishable will receive a detailed and timely pre-seizure planning investigation by the USMS.

Other investigative and intelligence resources that support the OCDETF Program are identified below:

OCDETF Fusion Center (OFC), the cornerstone of OCDETF's intelligence efforts, is funded through the ICDE account and overseen by the OCDETF Director. The OFC commenced operations during FY 2006 and has significantly enhanced OCDETF's overall capacity to engage in intelligence-driven law enforcement, an essential component of the OCDETF Program. The OFC is a comprehensive data center containing all drug and related financial intelligence information from all seven OCDETF-member investigative agencies, and the Financial Crimes Enforcement Network, as well as relevant data from many other agencies. The OFC is designed to conduct cross-agency integration and analysis of the data, to create comprehensive intelligence pictures of targeted organizations, including those identified as Consolidated Priority Organization Targets (CPOTs) and Regional Priority Organization Targets (RPOTs), and to pass actionable leads through the multi-agency Special Operations Division (SOD) to OCDETF participants in the field, including the OCDETF Co-located Strike Forces. These leads ultimately result in the development of better-coordinated, more comprehensive, multi-jurisdictional OCDETF investigations of the most significant drug trafficking and money laundering networks.

OCDETF Co-located Strike Forces have been established in New York, South Texas (including Houston, Laredo, McAllen and San Antonio), Boston, Atlanta (David G. Wilhelm OCDETF Strike Force), Tampa (Panama Express), Puerto Rico (Caribbean Corridor Initiative), San Diego (Major Mexican Trafficking Task Force), Arizona (including Phoenix and Tucson), and El Paso. These Co-located Strike Forces are prosecutor-led and intelligence-driven, and are designed to serve a dual purpose: they aggressively target the highest-level drug trafficking organizations, and they also function as a central point of contact for OCDETF agents and prosecutors nationwide, gathering intelligence and disseminating investigative leads throughout the neighboring areas. These task forces also respond to leads generated by the OFC. The OCDETF Co-located Strike Forces bring a synergy to drug trafficking investigations by literally combining, side-by-side, the resources and expertise of all of OCDETF's participating investigative agencies, including state and local law enforcement officers and prosecutors. By coordinating their efforts, the participants in these Co-located Strike Forces eliminate superfluous effort, save valuable resources, and produce some of the largest and most successful cases against national and international level drug trafficking organizations.

State and Local law enforcement agencies participate in approximately 90 percent of all OCDETF investigations. State and local participation significantly expands OCDETF's available resource base and broadens the choice of venue for prosecution. Annually, more than 700 State and local departments nationwide assist in the investigation of OCDETF cases. Currently, OCDETF reimburses State and local agencies for their overtime, travel, and per diem expenses with funds allocated by the Department of Justice Assets Forfeiture Fund. In FY 2010, OCDETF reimbursed State and local agencies \$23.2 million for their participation in OCDETF investigations and cases.

B. Prosecutions

Prosecutions TOTAL	Perm. Pos.	FTE	Dollars \$(000)
2010 Enacted with Rescissions	1,051	999	149,027
2010 Supplemental	0	0	11,130
2010 Enacted w/Rescissions & Supplementals	1,051	999	160,157
2011CR	1,051	999	149,027
Adjustments to Base	9	9	2,354
2012 Current Services	1,060	1,008	151,381
2012 Program Increases	47	47	8,126
2012 Offsets	0	0	(106)
2012 Request	1,107	1,055	159,401
Total Change 2011-2012	56	56	10,374

1. Program Description

The FY 2012 request for the Prosecution Activity is 1,107 positions, 1,055 work years, and \$159,401,000. The agencies which provide investigative support and prosecutorial efforts on OCDETF cases are identified below:

The United States Attorneys' Offices are key to nearly every successful OCDETF investigation and prosecution. This is because the OCDETF model is the formulation of prosecutor-led, multi-agency task forces to conduct intelligence-driven, multi-jurisdiction investigations. OCDETF prosecutors participate in the development of the investigative strategy and provide the necessary legal services and counsel that investigators require. Attorney involvement early in the investigation ensures that prosecutions are well-prepared, comprehensively charged, and expertly handled. OCDETF prosecutors are not expected to rush cases to completion, but rather to move cases deliberately toward successful and comprehensive conclusions. While OCDETF attorneys generally carry a smaller caseload than their non-OCDETF counterparts, the cases typically are more complex and longer term.

Criminal Division Programs

The Office of Enforcement Operations (OEO) offers direct operational support to U.S. Attorneys' Offices by reviewing all applications for electronic surveillance and by providing

guidance to agents and prosecutors on the development of such applications. Prompt, thorough processing of time-sensitive Title III applications is crucial to the success of OCDETF's coordinated, nationwide investigations, of which approximately 44 percent use wiretaps.

Narcotic and Dangerous Drug Section (NDDS) attorneys also provide assistance to and/or participate directly in OCDETF prosecutions. In March 2007, OCDETF re-issued its Program Guidelines to allow the Criminal Division to designate cases that it is prosecuting, specifically international investigations, as OCDETF cases. Prior to this revision, an OCDETF investigation had to be initiated through a U.S. Attorneys' Office. With the increasing complexity and scope of OCDETF cases, Criminal Division attorneys are sometimes called upon to provide expert advice to U.S. Attorneys' Offices in OCDETF cases. NDDS attorneys play a critical role in supporting and coordinating nationwide investigations through their work with SOD. In addition, under the FY 2010 Southwest Border Security Supplemental (P.L. 111-230), a new initiative was established in the Criminal Division to address Mexican cartel prosecutions.

Asset Forfeiture and Money Laundering Section (AFMLS) attorneys provide critical guidance to the field for the development of financial investigations, which are required in every OCDETF case. AFMLS attorneys are skilled in the application of money laundering and other financial statutes to specific types of sophisticated criminal activity, and they are particularly knowledgeable about the means to identify, freeze, seize, and repatriate assets from foreign jurisdictions. In addition, AFMLS administers OCDETF's nationwide financial training program. Since FY 2004, AFMLS personnel have conducted more than 60 training conferences in cities across the country, training more than 5,600 agents, analysts, and prosecutors from 20 federal and 40 state and local participating agencies on financial investigative techniques. A modified course has been presented in Argentina and Bangkok for agents located overseas. In addition, AFMLS is also supporting the new Mexican Cartel initiative.

The Criminal Division's Office of International Affairs (OIA) has become increasingly involved in OCDETF investigations. With OCDETF's particular focus on targeting and dismantling international "command and control" organizations and other international sources of supply, OIA is called upon with greater frequency to handle requests under Mutual Legal Assistance Treaties, provisional arrest warrants, and extraditions arising out of OCDETF investigations.

C. PERFORMANCE, RESOURCES, AND STRATEGIES

1. Performance Plan and Report for Outcomes

The goal of the Department of Justice's Drug Strategy is to reduce the drug supply in the U.S. by disrupting and dismantling the most significant drug trafficking organizations and their related money laundering operations. The OCDETF Program, with its multi-agency partnerships and its focus on coordinated, multi-jurisdictional investigations against entire drug networks, is the driving force behind the supply reduction strategy.

OCDETF Performance Indicators

OCDETF continues to vigorously pursue the goals laid out in the Department's Drug Strategy by targeting major drug trafficking organizations in their entirety. OCDETF also remains committed to maintaining accountability for its resources, and the results of that commitment are evident in the following key performance areas:

Significant New Investigations

The OCDETF Program Guidelines indicate that OCDETF participants are to focus Program resources on coordinated, nationwide investigations of major drug trafficking and money laundering organizations. During FY 2010, OCDETF continued its efforts to expand investigations to attack all levels of the supply chain regionally, nationally and internationally. OCDETF participants initiated 1,194 investigations in FY 2010, a 14 percent increase over the number of new investigations initiated in FY 2009. Furthermore OCDETF has maintained an active or judicial pending caseload of more than 4,800 cases, a 6 percent increase over the FY 2009 caseload.

OCDETF cases are consistently performed without any sacrifice to the caliber or quality of the cases being pursued. OCDETF district- and regional- coordination groups work diligently to ensure that only those investigations that meet the standards established for OCDETF cases are approved and that the quality of these new investigations clearly reflect OCDETF's commitment to pursue the most significant drug trafficking and money laundering organizations. The investigations are broader in scope and employ more complex investigative techniques; including financial investigative techniques, and an increasing percentage of cases target international "command and control" organizations

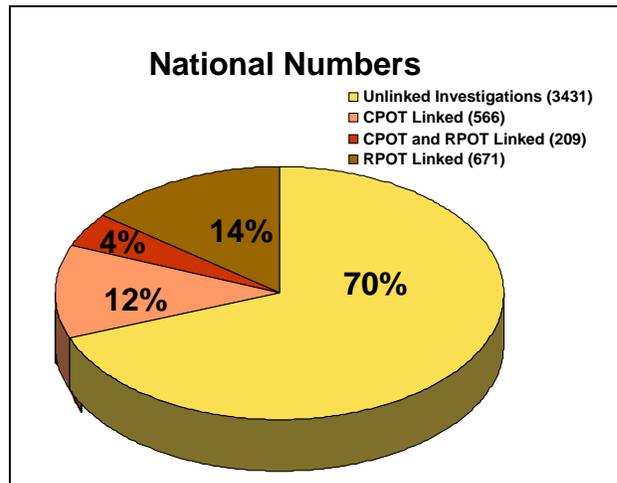
Most of the organizations targeted by OCDETF investigations are poly-drug, meaning that they manufacture or distribute more than one type of illegal drug. In the last five years, the principal drug involved in OCDETF investigations have been cocaine, marijuana, heroin, and methamphetamine.

Investigations against Consolidated Priority Organization Targets (CPOTs) and Regional Priority Organization Targets (RPOTs)

The goal of every OCDETF case is to continually work up and across the supply chain to make connections among related organizations nationwide. In particular, OCDETF participants strive to identify links to regional priority targets, whose drug trafficking activities have a significant

impact on the particular drug threats facing each of the OCDETF Regions, and, ultimately, to one of the international “command and control” networks identified as a CPOT.

OCDETF’s commitment to pursuing priority targets is evident from the steady increase in the percentage of cases linked to these targets. By the end of the fourth quarter of FY 2010, 12 percent of OCDETF’s active investigations — or 566 cases — were linked to a valid CPOT, and 14 percent — or 671 cases — were linked to RPOTs. An additional 4 percent of active investigations — or 209 cases — were linked to both CPOTs and RPOTs, so a total of 16 percent of active investigations are linked to CPOTs. Forty-four percent of the active CPOT-linked investigations are out of the Southwest Region.



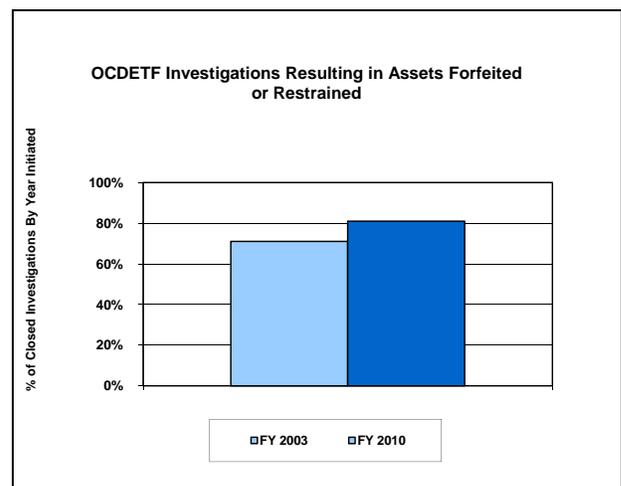
OCDETF data also demonstrates that OCDETF participants are pursuing these investigations to successful conclusions. Between 2003 and the 2010, OCDETF agencies dismantled 43 CPOT organizations and severely disrupted the operations of another 23. In addition, during FY 2003 through FY 2010, OCDETF disrupted or dismantled a total of 1,753 CPOT-linked organizations -- organizations working with or otherwise associated with a CPOT. Additionally, by the end of FY 2010, OCDETF had disrupted or dismantled 332 CPOT-linked organizations, a 27 percent increase over the number dismantled or disrupted in FY 2009, and exceeding its FY 2010 target of disrupting or dismantling 282 CPOT-linked organizations by 18 percent.

OCDETF continues to be vigilant in auditing the quality of its data collection in this important performance area. OCDETF ensures that a thorough review of all cases reported to be linked to CPOTs is conducted to determine the validity of each link, and has implemented controls to ensure that all links are properly supported.

Success in Financial Investigations

In order to have a significant impact on the financial systems that support the drug trade, OCDETF must be steadfast in charging and convicting those who conduct or facilitate illicit financial activity, and in seizing and forfeiting their assets.

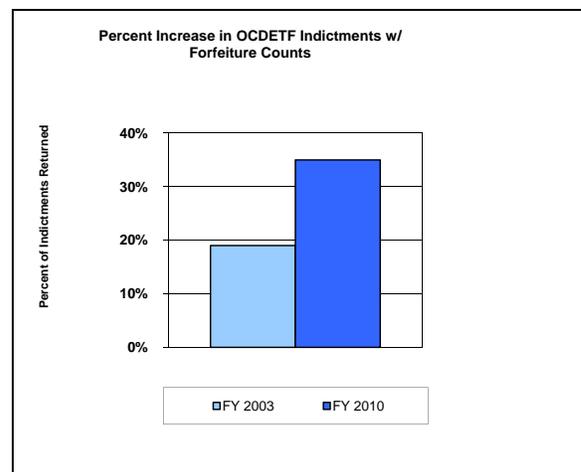
At the beginning of Fiscal Year 2010, OCDETF implemented a new policy that requires a financial investigation to have been started prior to the approval of OCDETF designation. Therefore, one hundred percent of OCDETF investigations initiated in FY 2010 have an active financial component. Additionally 99 percent of OCDETF’s more than 4,800 active/judicial



pending cases have an active financial investigation. These figures represent an all-time high and demonstrate that OCDETF participants are complying with OCDETF mandates that they must pursue financial investigations as an integral part of each drug investigation.

As a result of this focus, OCDETF is increasingly successful in seizing and forfeiting drug-related assets. A significant percentage of investigations are resulting in the seizure of assets and in charges calling for the forfeiture of assets and proceeds. The percentage of OCDETF investigations resulting in assets forfeited or restrained increased from just 66 percent in FY 2003 to 81 percent in FY 2010. Furthermore, 35 percent of indictments contained forfeiture counts in FY 2010, an increase from 32 percent in FY 2009 and almost double the 18 percent of indictments returned in FY 2003. In FY 2009, OCDETF seized approximately \$585 million in cash and property; and forfeitures amounted to \$560 million. By the end of the fourth quarter of FY 2010, OCDETF had seized \$459 million in cash and property; and forfeitures had amounted to \$618 million. During the last three fiscal years, FY 2008 – FY 2010, the OCDETF Program has been responsible for the seizure of more than \$1 billion dollars and the forfeiture of more than \$2 billion. OCDETF's forfeitures in the Department of Justice Consolidated Asset Tracking System (CATS) now total over \$4.5 billion from FY 2003 through FY 2010, or 39 percent of the total cash and property forfeitures reported in all of CATS.

In FY 2010, approximately nine percent of all OCDETF defendants were charged with financial violations. Similarly, investigations that resulted in defendants convicted of financial violations are up from 19 percent in FY 2003 to 24 percent in FY 2010. As the number of primary money laundering investigations grows, and as investigations continue to mature, OCDETF expects to experience even greater increases in these statistics.



Although OCDETF has had many successes in the financial arena, there is still a long way to go.

Despite increasing numbers, participating agencies have only seized or forfeited a fraction of the estimated illicit narcotics proceeds that attract traffickers to the drug trade in the first place. In FY 2007, OCDETF began addressing a lack of financial investigators by establishing the Financial Investigator Contractors (FIC) Program. The FIC Program consists of a squad of three to four FICs in each of the nine OCDETF regions, with two teams assigned to the Southwest Region, for a total of ten squads. These investigators are assigned to DEA's Financial Investigation Teams (FITs) and are available to support OCDETF investigations in need of financial expertise and support. This Program is being funded from the DOJ Asset Forfeiture Fund (AFF). AFF funds provided to support this program in FY 2010 were \$23.2 million. In addition, OCDETF continues to conduct its financial training program for agents, analysts and prosecutors nationwide. To date, the OCDETF financial training has been attended by more than 5,600 agents, analysts and prosecutors. Finally, the financial section of the OFC generates leads that enable program participants to make even greater headway against the financial components of sophisticated trafficking organizations.

Targeting Leadership-Level Defendants

OCDETF continues to focus on the targeting of leadership-level defendants in its investigations. At the end of FY 2010, 28 percent of prospective defendants targeted in new OCDETF investigations were leaders of their organizations. Furthermore, by the end of FY 2010, 80 percent of OCDETF investigations resulted in the conviction of a leader. By focusing on leadership-level targets, OCDETF is more likely to have a lasting impact against significant organizations and their operations.

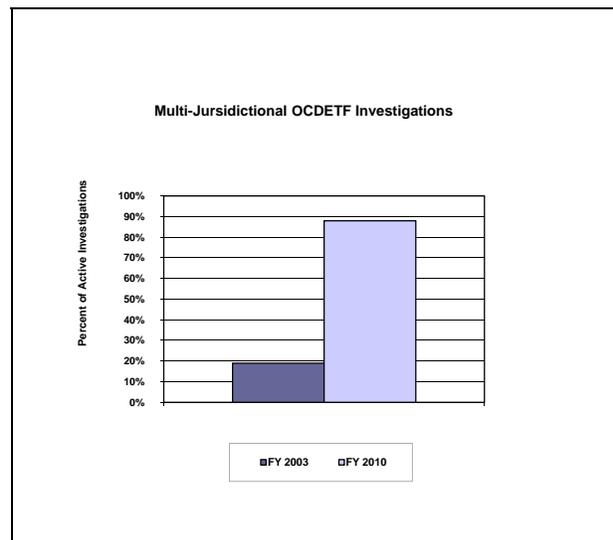
Multi-jurisdictional Scope of OCDETF Investigations

One of the primary goals of the OCDETF Program is the development of multi-jurisdictional investigations that simultaneously target and attack the geographically-dispersed components of major trafficking networks. It is only by attacking these networks in their entirety that OCDETF can make a lasting impact on drug trafficking activity and drug supply.

At the end of FY 2010, 88 percent of all active OCDETF investigations were multi-jurisdictional -- that is, the investigations were multi-state, multi-regional or international in scope. This represents a dramatic increase over the 19 percent of investigations in this category in March 2003. Moreover, since FY 2003, the percent of investigations that are international in scope has increased from 29 percent to 42 percent by the end of FY 2010.

Emphasizing Nationwide Coordination of OCDETF Investigations

Many of the nationally-coordinated investigations handled by SOD are OCDETF investigations. SOD operations exemplify the best efforts to simultaneously attack all related components of sophisticated drug trafficking and money laundering networks, thereby more effectively disrupting their illegal activities. For this reason, OCDETF strives to increase nationwide coordination of, and SOD participation in, OCDETF cases. At the end of FY 2010, 40 percent of OCDETF's active investigative case load involved SOD coordination. This percentage has steadily increased since FY 2005, when 29 percent of OCDETF's active caseload involved SOD coordination. The establishment of the OFC in 2006 has contributed to this trend. Moreover, active FY 2010 OCDETF investigation initiations involving SOD coordination was three percent greater than the percentage at the end of FY 2009. By acting upon the leads generated by the OFC, and feeding information through SOD, OCDETF expects to steadily increase the percentage of SOD-coordinated investigations.



OCDETF Co-located Strike Forces

OCDETF believes that the greatest opportunity for success in achieving Program goals is through the OCDETF Co-located Strike Forces. These Co-located Strike Forces best exemplify the effectiveness of the prosecutor-led, multi-agency task forces model in the attack on organized criminal groups. For example, in FY 2010, the OCDETF Strike Forces were involved in 35 percent of OCDETF's active/judicial pending CPOT-linked cases, which is more than double OCDETF's national average of 16 percent. Similarly, 79 percent of OCDETF Strike Force active/judicial pending cases involve complex investigative techniques, as compared to the national average of 76 percent. And 10 percent of OCDETF Strike Force active/judicial pending cases target primary money laundering organizations, which is nearly fifty percent higher than the national average of 7 percent.

OCDETF Strike Forces have also been responsible for striking some of the hardest blows against the major Mexican CPOTs. For example, OCDETF Strike Forces were leading participants in Project Coronado, announced in October 2009, which was a 44-month investigation involving multiple OCDETF Strike Forces that targeted the violent Mexican drug trafficking organization known as La Familia. Through Project Coronado, 1,254 persons were arrested in at least 19 states in the U.S., and law enforcement authorities seized more than 2,000 kilograms of cocaine, 19,000 pounds of marijuana, 3,900 pounds of methamphetamine, 269 vehicles, five maritime vessels, 389 weapons, five clandestine drug labs, and more than \$73 million in U.S. currency and other assets. Similarly, in the largest single strike to date against Mexican drug cartels, on June 9, 2010, 429 persons were arrested in 16 states as part of Project Deliverance, a 22-month multi-agency investigation involving the OCDETF Strike Forces, that targeted the transportation infrastructure of Mexican drug trafficking organizations in the United States, especially along the Southwest Border. More than 3,000 agents and officers operated across the United States to make the arrests, seizing \$5.8 million, 17 pounds of methamphetamine, 112 kilograms of cocaine, 2,951 pounds of marijuana, 141 weapons, and 85 vehicles. During the entire course of the operation, Project Deliverance has led to the seizure of more than 74.1 tons of illegal drugs and has inflicted a debilitating blow to the network of shadow facilitators and transportation cells controlled by the major Mexican drug cartels. In addition to 2,266 arrests overall, Project Deliverance operations have resulted in the seizure of \$154 million in currency and other financial assets, and 1,262 pounds of methamphetamine, 2.5 tons of cocaine, 1,410 pounds of heroin, 69 tons of marijuana, 501 weapons, and 527 vehicles.

Panama Express (PANEX) in Tampa, Florida, designated as an OCDETF Co-located Strike Force in early FY 2007, is the premier multi-agency interdiction operation implementing the Florida Caribbean Region's strategic initiative for targeting maritime narcotics transportation. Through PANEX, OCDETF is working to disrupt and dismantle the entire drug supply chain of CPOT-level organizations by attacking the importation of cocaine and heroin into the U.S. from Colombia via maritime vessels. The key to its success has been prompt analysis of intelligence, allowing law enforcement to proactively pursue priority targets and work towards identifying those responsible for the importation of the drugs and those individuals who are the distributors within the U.S. Since the inception of its efforts, PANEX has made more than 50 seizures, seized or destroyed at sea more than 850 tons of cocaine, and charged more than 1,750 defendants. The Department of Justice estimates that PANEX has denied the drug trafficking organizations more than \$12 billion in profits since 2005. Equally important, the Strike Force is

working in close partnership with its international counterparts and has begun to succeed in its endeavors to penetrate up the hierarchy of the CPOT organizations that are responsible for such significant volumes of drugs intended for U.S. consumption.

The San Diego Strike Force (Major Mexican Traffickers Task Force) has also met with great success in fulfilling its primary mission of prosecuting major Mexican drug traffickers, such as the Arellano-Felix organization. Capitalizing on unprecedented cooperation with the Government of Mexico, Strike Force agents and prosecutors have extradited and vigorously prosecuted cartel leaders with more success than ever before, to the point that the infamous Tijuana Cartel is in complete disarray.

2. Strategies to Accomplish Outcomes/FY 2012 Budget Request Relationship to Strategies

Enhancing OCDETF's Coordinated Pursuit of Entire Organizations

In order to maintain the OCDETF Program's ability to reduce the drug supply and thereby reduce the availability of drugs to our citizens, OCDETF has focused its resources on coordinated, nationwide investigations targeting the entire infrastructure of major drug trafficking organizations. These organizations are extremely complex. Their members traffic in narcotics, launder illicit proceeds, arm themselves with and traffic in firearms, continue their criminal activities as fugitives, and participate in terrorist activities. The FY 2012 request provides resources to maintain OCDETF's impact against these significant organizations. In order to truly disrupt and dismantle these criminal enterprises in their entirety, it is critical that OCDETF pursue these organizations at each and every level. This is precisely why the OCDETF Program was established – to combine the resources and expertise of its member agencies, and to exploit their unique investigative capabilities and authorities to achieve the greatest impact from drug law enforcement efforts. Attacking these high-level organizations in their entirety requires the active and coordinated participation of all the OCDETF member agencies, with sufficient resources to support all phases of OCDETF investigations. It also requires that OCDETF member agencies think strategically about ways in which law enforcement may effectively exploit the vulnerabilities of these organizations. The OCDETF model for formation of prosecutor-led, multi-agency task forces conducting coordinated intelligence-driven investigations and prosecutions is the most effective platform from which to attack organized criminal groups.

Focusing on Intelligence-driven, Strategic Enforcement

OCDETF is determined to attack the infrastructure of major drug trafficking organizations at their most vulnerable points. The most effective method for accomplishing this is through carefully planned and comprehensive strategic initiatives pursued by the OCDETF regions and the Co-located Strike Forces.

OCDETF focuses on enhancing the capacity of its participants to undertake intelligence-driven, strategic enforcement initiatives. The OFC was established to integrate and analyze drug investigative data and related financial data with the goal of providing law enforcement with the complete intelligence picture of the major international and domestic trafficking organizations.

Leads generated from the OFC direct law enforcement efforts, especially those resources located at the OCDETF Co-located Strike Forces, against those organizations and their related components nationwide. Such activities are conducted in a manner that will most effectively disrupt the operations of the major trafficking organizations and will result in their ultimate destruction. The nine Co-located Strike Forces, as well as the Special Operations Division (SOD), are in unique positions to take advantage of OFC leads.

Using the CPOT and RPOT Lists

The Attorney General's CPOT List identifies international "command and control" drug traffickers and money launderers and is compiled through an inter-agency process. The FY 2011 CPOT list contains 69 targets, who are the leaders of the most significant drug trafficking organizations around the world. The RPOT Lists identify those organizations whose drug trafficking and money laundering activities have a significant impact in a particular OCDETF Region. The CPOT and RPOT Lists are important management tools for the OCDETF Program. These lists enable the OCDETF Regions and districts to focus enforcement efforts on specific targets that are believed to be primarily responsible for the national and regional drug supply, and to coordinate related nationwide investigations against the CPOT and RPOT organizations. It is through the disruption and dismantlement of these major drug trafficking and money laundering organizations that OCDETF will have its greatest impact on the overall drug supply.

The FY 2012 budget request will maintain OCDETF's ability to disrupt and dismantle these significant drug and money laundering organizations. The Southwest Border Initiative will boost OCDETF's ability to attack both the CPOTs and the Gatekeepers. OCDETF will be in a better position to identify smuggling routes and patterns, indict and prosecute the highest-level traffickers, and coordinate fugitive apprehension efforts to ensure organization members are brought to justice.

Permanently Disabling Drug Organizations through Fugitive Apprehension

Simply indicting high-level drug traffickers and money launderers is not enough to ensure the success of the OCDETF Program. In order to permanently disable drug trafficking enterprises, organization members must be brought to justice, and their illegally-obtained assets must be seized and forfeited; otherwise, these traffickers continue to operate their illegal enterprises indefinitely.

OCDETF defendants and fugitives are highly mobile, and they typically have extensive resources and an extended network of associates to assist them in avoiding arrest. Consequently, the longer they remain at large, the more difficult they become to apprehend and prosecute.

Reducing Southwest Border Violence by Targeting Drug Trafficking Organizations that Engage in Illegal Firearms Trafficking and Their Suppliers

Recent arrests of high-level Mexican drug traffickers have resulted in a significant increase in violence on the Mexican side of the Southwest Border, as rival drug trafficking organizations engage in turf wars with each other while simultaneously challenging the Mexican police and military for control of their territory. These battles are fueled by firearms smuggled across the

border from the U.S. Through the OCDETF Southwest Region's Gatekeeper Initiative, the OCDETF Program is identifying and attacking the organizations that purchase and supply illegal firearms to these drug traffickers. Targeting the Gatekeepers is critical, because in addition to controlling the flow of drugs and illicit proceeds across the Southwest Border, Gatekeepers often control the purchase, shipment, and distribution of firearms to drug trafficking organizations. Incorporating ATF's authority and expertise improves the ability of OCDETF member agencies to identify and attack all elements of the firearm supply chain from source point to acquisition by the major Mexican drug traffickers.

Increasing OCDETF Performance and Accountability

OCDETF is committed to holding its participants accountable for achieving the overall mission and goals of the Program — that is, reducing the Nation's drug supply through the disruption and dismantlement of significant drug and money laundering organizations. Since May 2003, the OCDETF Executive Office has distributed comprehensive quarterly and monthly performance indicator reports to all U.S. Attorneys, OCDETF Lead Task Force Attorneys, and agency managers. These reports have become an essential management tool for field Program managers. The reports track key OCDETF performance indicator data and reporting compliance rates for each judicial district. The OCDETF Director uses this information to conduct annual district and agency performance reviews, to identify staffing deficits, reallocate existing resources and allocate new resources, and to identify areas for program improvement.

These performance indicator reports also drive OCDETF's budget requests and enable OCDETF to tie resource requests to Program accomplishments more effectively.

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PERFORMANCE AND RESOURCES TABLE

Decision Unit: Organized Crime Drug Enforcement Task Force - Investigations

DOJ Strategic Goal/Objective: Goal 2: Prevent Crime, Enforce Federal Laws **Objective 2.3:** Reduce the threat, trafficking, use, and related violence of illegal drugs

WORKLOAD/ RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2010		FY 2010		FY 2011 Contuning Resolution		Current Services Adjustments and FY 2012 Program Change		FY 2012 Request	
Workload											
Number of new OCDETF investigations initiated		877		1,194		915		35		950	
Number of active/judicial pending OCDETF investigations		4,485		4,877		4,665		185		4,850	
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
		3,331	549,569	3,277	549,569	3,277	528,569	56	12,397	3,333	540,966
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2010		FY 2010 Actual		FY 2011 Contuning Resolution		Current Services Adjustments and FY 2012 Program Change		FY 2012 Request	
		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity											
	1. Investigations	2,278	389,412	2,278	389,412	2,278	379,542	0	2,023	2,278	381,565
Performance Measure	A. Percent of active OCDETF investigations linked to CPOT 1/	15%		16%		16%		1%		17%	
	B. Percent of active OCDETF investigations linked to RPOT 2/	20%		18%		18%		1%		19%	
	C. Percent of active investigations involvin SOD/Fusion Center coordination	33%		40%		34%		1%		35%	
	D. Percent of active investigations utilizin complex investiative techniques 3/	71%		76%		72%		1%		73%	

Note: While participation by non-justice components is no longer funded through the Justice Appropriation, performance targets are calculated taking into account expected resources dedicated to OCDETF by the non-Justice components.

1/ The Department's Drug Enforcement Task force strategy called on federal law enforcement agencies to collaboratively develop a unified national list of drug organization targets. This list has become known as the Consolidated Priority Organization Targets (CPOT) List. There are 69 CPOT targets in FY 2011. Targets on this list include heads of narcotic and/or money laundering organizations, poly-drug traffickers, clandestine manufacturers and producers and major drug transporters, all of whom are believed to be primarily responsible for the domestic drug supply.

2/ OCDETF regions are required to develop and maintain a list of Regional Priority Organization Targets (RPOT)- that is, those individuals and organizations whose drug trafficking and/or money laundering activities have a significant impact in the region. The RPOT Lists, similar to the CPOT List enable the OCDETF regions and districts to focus enforcement efforts on specific targets believed to be primarily responsible for the regional drug threat. OCDETF has directed the Regions to limit their RPOTs to only those drug trafficking organizations having the greatest impact on the drug supply to ensure the effective use of this stratetgic tool. The slightly lower performance is a result of this drop in the RPOT targets identified.

3/ Complex investigative techniques include the use of investigative grand jury, wiretaps, and/or requests through Mutual Legal Assistance Treaties.

PERFORMANCE AND RESOURCES TABLE

Decision Unit: Organized Crime Drug Enforcement Task Force

DOJ Strategic Goal/Objective: **Goal 2:** Prevent Crime, Enforce Federal Laws **Objective 2.3:** Reduce the threat, trafficking, use, and related violence of illegal drugs

WORKLOAD/ RESOURCES		Target		Actual				Changes		Requested (Total)	
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2010		FY 2010		FY 2011 Continuing Resolution		Current Services Adjustments and FY 2012 Program Change		FY 2012 Request	
Program Activity		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	Prosecutions	1,053	160,157	1,053	160,157	999	149,027	56	10,374	1,055	159,401
Performance Measure	A. Number of OCDETF Defendants Indicted/Convicted	9,080/7,330		10,888/8972		9,296/7,505		464/375		9,760/7,880	
	1. Number and percent of convicted defendants linked to CPOT	284/4%		425/5%		303/4%		42/0%		345/4%	
	2. Number and percent of convicted defendants linked to RPOT	909/12%		575/6%		675/9%		75/1%		750/10%	
	B. Percent of OCDETF investigations resulting in the conviction of a leader*	75%		80%		76%		1%		77%	
	C. Percent of OCDETF investigations resulting in financial convictions* 4/	27%		24%		25%		1%		26%	
	D. Percent of OCDETF investigations resulting in assets forfeited or restrained*	80%		81%		80%		1%		81%	

4/ Two Supreme Court decisions, Santos and Cuellar, continue to impact OCDETF's ability to file money laundering charges and have caused dismissals of charges in some cases.

PERFORMANCE AND RESOURCES TABLE

Decision Unit: Organized Crime Drug Enforcement Task Force

DOJ Strategic Goal/Objective: Goal 2: Prevent Crime, Enforce Federal Laws **Objective 2.4:** Reduce the threat, trafficking, use, and related

WORKLOAD/ RESOURCES		Target	Actual	Projected	Changes	Requested (Total)
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2010	FY 2010	FY 2011 CR Level	Current Services Adjustments and FY 2012 Program	FY 2012 Request
Outcome	A. Percent of investigations resulting in disruption/dismantlement of targeted organization*	78%	80%	78%	1%	79%
	B. Number of CPOT-Linked Organizations disrupted/dismantled in OCDETF Investigations 5/	194/88	212/120	185/104	14/14	199/90
	C. Amount of Seized Assets from CPOT-Linked Organizations per year	115M	244M	122M	8M	130M
	D. Percent of Aggregate Domestic Drug Supply related to Disrupted/Dismantlement CPOT-Linked 6/	N/A	N/A	N/A	N/A	N/A

5/ To calculate these numbers, the Department aggregates both OCDETF and non-OCDETF disruptions and dismantlements.

6/ This measure is discontinued. Measuring reduction in the drug supply is a complex process because supply reduction is a reflection of a number of factors. Although the Department's efforts ultimately have a lasting impact upon the flow of drugs in the United States, it is not possible to confidently gauge base amounts for the supply of illegal drugs available for consumption in the United States in order to estimate a valid reduction percentage.

Data Valuation and Verification Issues

Data Collection:

The OCDETF Program currently collects/collates data from OCDETF agents and attorneys working on investigations within each district through the use of five OCDETF forms: (1) the Investigation Initiation Form, which is used to provide information as a basis to obtain approval for each investigation; (2) the Indictment/Information Form, which is used to record each indictment returned in OCDETF cases; (3) the Disposition and Sentencing Report, which is used to record all charges in OCDETF cases and to record final resolution of those charges; (4) the OCDETF Interim Report, which is to be filed every six months while an OCDETF case is open and active, and which is used to update the status of the investigation and all case information; (5) and the OCDETF Final Report, which provides information at the end of a case and is used to measure both the extent to which a targeted organization was disrupted or dismantled and the overall impact of the investigation. All report information is input into the OCDETF Management Information System (MIS)

Data Validation:

Data submitted on OCDETF forms and reports is verified by the OCDETF District Coordination Group, the OCDETF Regional Coordination Group, and the OCDETF Executive Office.

Data is reviewed periodically, monthly and annually to ensure that data is accurate and reliable. Additional data reviews are conducted as necessary on an ongoing basis. Examples include the CPOT validation project, which confirmed all justifications for claiming a CPOT-link, and the review of primary money laundering organization data to ensure that proper criteria was being followed when identifying primary money laundering organizations.

OCDETF cross-checks its data with data collected by other entities, including: the Executive Office for United States Attorneys which collects data on indictments, convictions and sentences; the Consolidated Asset Tracking System (CATS), which captures data on seized and forfeited assets, and DEA's PTARRS database, which contains information regarding DEA's CPOT-linked and RPOT-

MEASURE TABLE

Appropriation: Interagency Crime and Drug Enforcement

Decision Unit Program: Organized Crime and Drug Enforcement Task Forces (OCDEF)

Decision PERFORMANCE Unit: Investigations

Performance Report and Performance Plan Targets		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010		FY 2011	FY 2012
		Actual	Actual	Actual	Actual	Actual	Actual	Actual Target	Actual	Target	Target
Performance Measure	Percent of active OCDEF investigations linked to CPOT	N/A	N/A	18%	14%	14%	16%	15%	16%	16%	17%
Performance Measure	Percent of active OCDEF investigations linked to RPOT	N/A	N/A	19%	19%	21%	19%	20%	18%	18%	19%
Performance Measure	Percent of active investigations involving SOD/Fusion Center Coordination	N/A	N/A	29%	32%	35%	37%	33%	40%	34%	35%
Performance Measure	Percent of active investigations targeting primary drug money laundering organizations	N/A	N/A	13%	10%	9%	8%	N/A	N/A	N/A	N/A
Performance Measure	Percent of active investigations utilizing complex investigative techniques	N/A	N/A	70%	71%	76%	76%	71%	76%	72%	73%

Decision Unit: Prosecutions

Performance Report and Performance Plan Targets		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010		FY 2011	FY 2012
		Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Number of OCDEF Defendants Indicted/Convicted	8,162/6,440	8,160/5,539	8,623/6,566	9,130/7,424	9,556/7,716	10,501/8,880	9,080/7,330	10,888/8972	9,296/ 7,505	9,760/ 7,880
	1. Number and percent of convicted defendants linked to CPOT	N/A	345/6%	351/5%	388/5%	332/4%	335/4%	284/4%	425/5%	303/4%	345/4%
	2. Number and percent of convicted defendants linked to RPOT	N/A	758/14%	1,009/15%	953/13%	1,065/14%	693/8%	909/12%	575/6%	675/9%	750/10%
Performance Measure	Percent of OCDEF investigations resulting in the conviction of a leader	N/A	N/A	73%	75%	79%	77%	75%	80%	76%	77%
Performance Measure	Percent of OCDEF investigations resulting in financial convictions	N/A	N/A	20%	25%	27%	23%	27%	24%	25%	26%

Performance Measure	Percent of OCDETF investigations resulting in assets forfeited or restrained	N/A	N/A	85%	83%	74%	74%	80%	81%	80%	81%
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Performance Report and Performance Plan Targets		FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010		FY 2011	FY 2012
		Actual	Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Outcome Measure	Percent investigations resulting in disruption/dismantlement of targeted organization	N/A	N/A	76%	76%	79%	83%	78%	80%	78%	79%
Outcome Measure	Number of CPOT-Linked Organizations disrupted/dismantled in OCDETF investigations	N/A	127/29	156/93	135/64	214/69	162/99	194/88	212/120	185/104	199/90
Outcome Measure	Amount of Seized Assets from CPOT-Linked Organizations	N/A	53M	80M	109M	124M	166M	115M	244M	122M	130M
Outcome Measure	Percentage of Aggregate Domestic Drug Supply related to Dismantled/Disrupted CPOT-Linked organizations	N/A									

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V. Program Increases by Item

Item Name: Southwest Border Enforcement Initiative

Budget Decision Unit(s): Investigations and Prosecutions
Strategic Goal(s) & Objective(s): Goal 2: Objective 2.4
Organizational Program: OCDETF Program

Component Ranking of Item: 1

Program Increase: Positions 47- Agt/Atty 47- Other 0- FTE 47 -Dollars \$9,300,000.

Description of Item

OCDETF is requesting \$9,300,000 to continue its efforts to dismantle organizations moving drugs, guns, and illicit drug proceeds across the Southwest Border of the U.S. initiated by the FY 2010 Southwest Border Security Supplemental (P.L. 11-230). This will allow OCDETF to continue its effective targeting of those organizations having a significant impact on the U.S. drug supply and those contributing to the escalating violence along the Southwest Border by maintaining OCDETF's resources for exploiting available intelligence, maximizing the effectiveness of investigations and apprehension and extradition efforts, and providing sufficient attorney resources to ensure that these investigations have adequate legal oversight and that identified organizations are fully prosecuted. OCDETF formulated this request in coordination with its Department of Justice partners, including DEA, FBI, USMS, ATF, the Criminal Division, and the United States Attorney's Offices, to ensure OCDETF resources sought herein align and do not duplicate our partner's FY 2011 and FY 2012 requests. Specifically, and in order of priority, this request seeks:

Targeted Southwest Border Investigations and Prosecutions by Co-located Strike Forces:

- 6 Positions – Agt/Atty 6 – Other 0 – FTE 6 - \$2,211,000, for ATF, FBI, USMS, and the U.S. Attorney's Offices to maintain positions and provide increased operational funding support to better support their participation in the OCDETF Co-located Strike Forces that are targeting the highest level Mexican drug cartels and their Colombian cocaine suppliers, including maritime Strike Forces in Tampa/Sarasota (Panama Express) and San Juan, as well as land-based Strike Forces in San Diego, Phoenix/Tucson, El Paso, Houston/Laredo/McAllen, and Atlanta, and to provide DEA and the other participating agencies a stable source of operational funding for those Strike Forces.

Southwest Border Prosecutorial Activities

- 41 Positions – Agt/Atty 41 – Other 0– FTE 41 - \$7,089,000, for the U.S. Attorney’s Offices to pursue their Southwest Border Drug Prosecutions Initiative.

Background:

Overview of the Southwest Border Threat

The Southwest Border, which not only includes the land border with Mexico, but also the maritime transit zone along the Eastern Pacific Ocean, the Gulf of Mexico, and the Caribbean Sea, serves as the principal arrival zone for most of the illegal drugs smuggled into the United States. Mexican drug cartels have become the world’s preeminent drug traffickers. Organizationally complex, and with a high propensity for violence, these groups transport multi-ton shipments of heroin, methamphetamine, and marijuana produced in Mexico. They are also hired by Central and South American trafficking organizations to transport equally large amounts of cocaine into the United States. These powerful Mexican drug cartels currently threaten the national security of our Mexican neighbors, pose an organized crime threat to the United States, and are responsible for the scourge of illicit drugs and accompanying violence in both countries.

The cartels’ reach extends far beyond the U.S. land border with Mexico and across the entire United States. Law enforcement reporting indicates that Mexican drug trafficking organizations maintain drug distribution networks or supply drugs to distributors in hundreds of U.S. cities in nearly every state. Atlanta has emerged as a particular hub for both drug distribution and collection of cash drug proceeds for smuggling back to Mexico. For example, on May 13, 2009, DEA agents made the largest seizure of methamphetamine ever recorded east of the Mississippi River, seizing more than 350 pounds of methamphetamine, with a street value of more than \$8,000,000, from four members of a Mexican organization. In a separate investigation involving a current Mexican CPOT, Atlanta agents seized more than \$23,000,000 in cash in a ten-month period. The pattern of initiation of OCDETF cases reflects the reality that the Southwest Border threat extends far beyond the land border. Consistently over the last decade, approximately twenty percent of all active OCDETF investigations and cases have been in OCDETF’s Southwest region, while another twenty-two percent involve linked investigations or prosecutions in both the Southwest region and one or more other OCDETF regions.

According to NDIC’s 2010 NDTA, Mexican drug trafficking organizations represented the greatest drug trafficking threat to the United States in 2009. Moreover, the NDTA reports that Mexican organizations not only control cocaine distribution in most U.S. cities but are also strengthening their relationships with U.S.-based street and prison gangs to gain strength in cocaine markets they do not yet control and to gain market shares in the heroin trade.

Further, methamphetamine production in “super labs” operated by Mexican drug trafficking organizations on both sides of the Southwest border continues, despite import restrictions on precursor chemicals imposed by the Mexican government in 2005. The

NDTA reports that through October 2009, more than 3,400 kilograms of methamphetamine were seized along the Southwest border, surpassing the 2008 total of 1,201 kilograms.

At the same time, billions of dollars in drug proceeds continue to make their way across the border into Mexico to further fuel the drug trade and its attendant violence. With access to billions of dollars, the powerful cartels have almost limitless resources that enable them to bribe, extort, threaten, intimidate, and terrorize.

Firearms trafficking from the United States to Mexico contributes to violence as paramilitary groups and U.S.-based prison and street gangs serve as enforcement arms of the Mexican drug cartels. Mexican drug trafficking organizations obtain firearms, including handguns, rifles, assault rifles, and explosive devices, from locations throughout the U.S., but most are acquired in Southwest Border states.

Since the inauguration of President Felipe Calderon in 2006, and with support and encouragement from the United States through foreign assistance mechanisms such as the ongoing Merida Initiative, the Government of Mexico has undertaken a comprehensive program to break the power of the narco-traffickers in that country. Since 2006, the Government of Mexico has made record seizures of drugs, clandestine laboratories, and cash. Mexican law enforcement has arrested many high-level members of all the major Mexican drug cartels, extraditing them in record numbers to face prosecution in the United States. The drug traffickers are not only waging war against each other, but also against determined Mexican police and military forces.

As a result of this dual pressure from U.S. and Mexican law enforcement, drug-related violence, including kidnappings, home invasion robberies, and increasingly gruesome murders, has skyrocketed in Mexico. This surge of drug-related violence throughout northern Mexico since 2007 has caused some of the cartel members and their families to relocate to U.S. communities. In addition, many members of Mexican law enforcement agencies have also sought refuge for themselves and their families in the U.S.

Overview of the Department of Justice's Southwest Border Strategy

The Department of Justice recognizes that the escalating drug-related violence in Mexico and at the Southwest Border is being caused by a limited number of large, sophisticated and vicious criminal organizations, not by individual drug traffickers acting in isolation. That insight drives the Department's overall Southwest Border Strategy, as well as one of the overall Strategy's principal components, the 2010 Strategy for Combating the Mexican Cartels. The Southwest Border Strategy confronts the Mexican cartels as criminal organizations, rather than simply responding to individual acts of criminal violence. Pursued vigorously, and in coordination with the efforts of other U.S. government agencies and with the full cooperation of the Government of Mexico, this Strategy can and will neutralize the organizations causing the violence.

The goal of the Department's Southwest Border Strategy is to systematically degrade the power of the Mexican drug cartels, while simultaneously improving the capacity of the Mexican law enforcement institutions to confront the cartels domestically. To achieve this goal, the Strategy first employs extensive and coordinated intelligence capabilities. Pooling information generated by Department's law enforcement agencies and their federal, state and local government partners, it uses the resulting intelligence to direct operations in the United States and assists the efforts of the Mexican authorities to attack the cartels and the corruption that facilitates their operations.

Second, through OCDETF's intelligence-based, prosecutor-led, multi-agency task forces that leverage the strengths, resources, and expertise of the complete spectrum of federal, state, local, and international investigative and prosecutorial agencies the Department focuses its efforts on investigation, extradition, prosecution, and punishment of key cartel leaders. As has been demonstrated over time in attacking other major criminal enterprises, destroying the leadership and seizing the financial infrastructure of the cartels undermines their very existence.

Third, the Department's Strategy pursues investigations and prosecutions related to the trafficking of guns and the smuggling of cash and contraband for drug-making facilities from the United States into Mexico. It also uses traditional law enforcement approaches to address the threats in the United States of cartel activity. These threats include the distribution of drugs on our streets and in our neighborhoods, battles between members of rival cartels and violence directed against U.S. citizens and government interests.

OCDETF as the Centerpiece of the Department's Southwest Border Strategy

The OCDETF Program is the centerpiece of the Department's long-term drug enforcement strategy. It is the Program that coordinates and channels all elements of the federal government – including DHS and the Department of the Treasury – in its efforts against the largest national and international drug-trafficking organizations. It provides consistent national strategic direction and oversight, with accountability and proven performance measures. After more than a quarter century of operations, OCDETF continues to be the vehicle that is best situated to continue the fight against today's violent Mexican drug cartels.

The OCDETF Program is managed out of the Office of the Deputy Attorney General to ensure it receives maximum exposure and access to senior Department leadership, the interagency community, and the 94 United States Attorneys' Offices. Its explicit mission is to reduce the supply of illegal drugs in the United States, and diminish the violence associated with the drug trade. This is accomplished through intelligence-driven investigations and prosecutions that capitalize on the combined resources and expertise of its seven member federal investigative agencies – ATF, DEA, FBI, USMS, IRS-CID, ICE, and USCG. These investigative agencies work in cooperation with each other and with OCDETF's cadre of experienced federal prosecutors in the United States Attorneys' Offices and the Department's Criminal Division, and also with hundreds of state and local law enforcement agencies across the United States and in foreign countries.

The founding principle of OCDETF is the notion that no one law enforcement entity is in a position to effectively disrupt and dismantle sophisticated drug and money laundering organizations. OCDETF works because it effectively leverages the investigative and prosecutorial strengths of each participant. OCDETF's synchronization of multiple investigations against common target organizations, its effective use of attorneys at the early stages of investigations, and its success in fostering efficient collaboration of law enforcement agencies from all jurisdictions, have demonstrated the efficacy of OCDETF's operational model.

The types of investigations that are needed to attack the powerful criminal organizations operating along and across the Southwest Border today are typically so complex and labor intensive that they could not be effectively conducted without cooperation among the OCDETF agencies. Most, if not all, of these investigations require a mix of skills, experience, and jurisdiction that no single agency has: DEA's unique knowledge of international drug trafficking organizations, and its working relationships with foreign, state, and local law enforcement authorities; FBI's experience in gathering and analyzing intelligence data and investigating gangs and other complex criminal organizations, as well as its expertise in handling sensitive public corruption matters; ICE's ability to interdict the goods, weapons, and currency involved in international drug trafficking and currency and firearms smuggling and to deal with non-U.S. citizen drug traffickers; IRS's expertise in using the tax code, money laundering statutes, and asset forfeiture laws to thoroughly investigate the financial operations of targeted organizations and dismantle the infrastructure that fuels their operations; the USMS's skills in fugitive investigations and apprehension of criminals who have the resources to hide anywhere in the world; the USCG's maritime reach and expertise; and ATF's expertise in the investigation of illegal use of firearms and explosives, which have long been the drug traffickers' tools of the trade. In addition, state and local law enforcement agencies, who participate in approximately 90 percent of all OCDETF investigations, significantly expand the Program's available resources and bring invaluable access to intelligence sources.

Specific OCDETF Initiatives Targeting Mexican Drug Cartels

CPOT List. Since its inception in 1982, OCDETF investigations have always targeted the most significant drug trafficking organizations operating in the affected jurisdictions, focusing on those that are multi-district, multi-regional, or international in scope. Since 2003, the OCDETF Program has also been responsible for overseeing the Attorney General's Consolidated Priority Organization Target (CPOT) list. The CPOT list, which is updated semiannually, comprises the "Most Wanted" leaders of the drug trafficking and money laundering organizations believed to be primarily responsible for the nation's supply of illegal drugs. These targets are not single-agency priorities, but rather are proposed and considered as a group by all the OCDETF participating agencies, using their combined available intelligence and input from the intelligence community.

The FY 2011 CPOT list identifies 69 active CPOT targets, 25 of which are based in Mexico. These Mexican CPOTs comprise the leadership of the cartels that are

responsible for smuggling most of our nation's illegal drug supply across the maritime transit zones and the Southwest land border, and are also responsible for the escalating violence on both sides of the border. There are currently approximately 658 active OCDETF investigations targeting organizations that are linked to one of the 25 Mexican CPOTs. It is illustrative of the scope of these CPOTs' operations that slightly fewer than half of these investigations were initiated in OCDETF's Southwest Region. Every one of the other OCDETF regions has active investigations linked to a Mexican CPOT.

Since the inception of the CPOT list at the beginning of FY 2003, a total of 144 targets have been designated as CPOTs. From FY 2003 through FY 2010, OCDETF participants dismantled 43 CPOT organizations and severely disrupted another 23. In addition, during that same time period OCDETF disrupted or dismantled a total of 1,753 CPOT-linked drug trafficking organizations – organizations working with or otherwise associated with a CPOT. This budget request seeks to expand OCDETF's ability to focus on those CPOTs and CPOT-linked organizations that are impacting the Southwest Border by addressing the intelligence, enforcement, and prosecution requirements needed to reduce the volume of drugs, weapons, and money crossing the border and curtail the panoply of criminal activities perpetrated by these Mexican drug trafficking organizations.

Financial Investigations. The OCDETF Program has also historically placed a high priority on attacking and dismantling the financial infrastructure of drug trafficking organizations. Since 2002, OCDETF's Program Guidelines have explicitly mandated that all OCDETF investigations include a financial component and make full use of financial investigative techniques, including enforcement of Title 18 and Title 31 money laundering and currency statutes, the tax laws, and applicable asset forfeiture provisions. This mandate facilitates our participants' ability to identify and convict high-level traffickers and dismantle money laundering operations, and to enable the government to seize and forfeit the assets and profits derived from high-level drug trafficking and related crimes.

This is, however, much easier said than done. These financial cases are among the most complex and time-consuming that federal prosecutors handle, and often take years to develop. Unraveling multiple layers of false identities, straw men, sham transactions, and complicated structured financial activity involving multiple financial institutions and assets in multiple jurisdictions and overseas is a daunting and resource-intensive task for even the most skilled financial investigators. The increasing use by the traffickers of "smurfed" wire transfers – involving multiple parties making multiple wire transfers in a single day, each under the limit that triggers scrutiny but in the aggregate substantially more than would be allowed – and stored value cards -- are further examples of the difficulty law enforcement has in "following the money." The OCDETF Program, with participation by federal investigative agencies with a long track record of successful financial investigations, such as FBI, ICE, and IRS, is ideally placed to continue the investigation of the more sophisticated aspects of the financial operations of the Mexican cartels. Beginning in 2010, all OCDETF cases must have a financial investigation component by the time OCDETF designation is sought .

Gatekeeper Initiative. OCDETF is also devoting resources to attacking the Mexican cartels through the OCDETF Southwest Region Gatekeeper Initiative. As discussed in the President's National Drug Control Strategy, intelligence has confirmed that drug trafficking organizations collect fees to facilitate the movement of all types of contraband from Mexico into the U.S. A "Gatekeeper" is a person or group whose role is to facilitate the taxation and protection of contraband loads and to enforce the will of the cartel through bribery, intimidation, extortion, beatings, and murder. Gatekeepers have cultivated and maintained political, social, family and law enforcement connections in their area of control. Entry points into the United States controlled by Gatekeepers support large drug movements within Mexico because of their direct connections to road, air, and rail networks. The more established Gatekeepers have been co-opted by the Mexican cartels.

OCDETF's Gatekeeper Initiative combines the statutory expertise and authorities of its multi-agency members – DEA, FBI, ATF, USMS, IRS, and ICE – and the U.S. Border Patrol to accomplish the following objectives: (1) establish multi-district OCDETF investigations of the Gatekeepers and their organizations operating along the Southwest Border, including the identification and investigation of corrupt law enforcement officials on both sides of the border; (2) identify additional activities of the Gatekeepers in other OCDETF regions and pass investigative leads to those jurisdictions, thus broadening the scope of Gatekeeper investigations; (3) disrupt drug trafficking patterns along the Southwest Border by attacking the smuggling of major cartels, including CPOTs; and (4) target the illegal purchase and distribution of firearms by the subjects of Gatekeeper and CPOT investigations, including analyzing intelligence information to identify facilitators for the CPOTs and Gatekeepers, such as Federal Firearms Licensees (FFL) and straw purchasers. Since its inception in 2007, the OCDETF Southwest Region Gatekeeper Initiative has resulted in the opening of 33 OCDETF investigations, yielding 72 indictments of 283 defendants, with 177 defendants convicted so far.

Bulk Currency Initiative. OCDETF's Southwest Region Bulk Currency Money Laundering Initiative also targets CPOTs and other drug trafficking organizations through the investigation of bulk currency movement along transportation routes in the Southwest Region. Federal agencies currently participating in this initiative include ATF, DEA, FBI, ICE, IRS, USMS, and the U.S. Attorney's Offices. State and local agencies, which encounter the vast majority of currency seizures on the highways, lack the resources necessary to conduct follow-up investigations that will lead to the identification and prosecution of the major drug organizations that own the smuggled cash. Currently more than 80 percent of active OCDETF investigations initiated in the Southwest Region target organizations employing bulk cash smuggling, and Southwest Region investigations account for 25 percent of the nationwide total of OCDETF investigations targeting bulk cash smuggling. Since FY 2006, 68 OCDETF investigations have been initiated from this initiative, and these ongoing investigations have resulted in the seizure of more than \$74 million in cash and the conviction of 342 defendants.

Co-located Strike Forces. OCDETF's member agencies have also been able to achieve significant progress in attacking the major Mexican drug cartels through the creation of OCDETF Co-located Strike Forces. The original OCDETF concept of prosecutors and agents from different agencies working together to achieve the common goal was actually realized as a coalition of "virtual task forces." Those task force members reported to work each day to their own agency's offices and came together as needed to work on particular investigations and prosecutions. Several years ago, in order to foster the enhanced intelligence sharing and coordination necessary to achieve the optimum intelligence-driven, strategic enforcement approach against the most enduring and elusive targets, OCDETF established Co-located Strike Forces in key cities across the country. As of the beginning of FY 2011, Strike Forces are operating in nine key locations: San Diego, South Texas (including Houston, Laredo, McAllen and San Antonio), Atlanta, New York, Tampa/Sarasota (Panama Express), San Juan, Arizona (including Phoenix and Tucson), and El Paso.

The OCDETF Co-located Strike Forces operate as true task forces, whose multi-agency members are housed in a common office separate and distinct from any of their parent agencies. Through constant, daily interaction with each other, while still enjoying the resources and support of their parent agencies, the members of the OCDETF Co-located Strike Forces have been able to take investigation and prosecution of the most notorious drug cartels in the world to new levels.

The OCDETF Strike Forces are designed to serve a dual purpose. They aggressively target the highest-level trafficking organizations, including CPOTs and CPOT-linked organizations. They also function as a central point of contact for OCDETF agents and prosecutors nationwide, gathering intelligence and disseminating investigative leads throughout the neighboring jurisdictions. The OCDETF Co-located Strike Forces bring a synergy to drug trafficking investigations by combining, side-by-side, the resources and expertise of all of OCDETF's participating investigative agents and prosecutors. By coordinating their efforts in that way, the OCDETF Strike Forces have achieved great successes against the major Colombian and Mexican cartels.

The OCDETF Program buttressed the staffing of all the Strike Forces along the Southwest Border. OCDETF was able to enhance the capabilities and effectiveness of its Co-located Strike Forces by securing funding to hire a full-time financial analyst contractor for each of the Strike Forces. OCDETF has also placed an NDIC Document and Media Exploitation (DOMEX) Team at each of the Strike Forces. These DOMEX Teams assist in developing information provided by informants, document seizures, search warrants, grand jury subpoenas, and other sources in order to pinpoint illicit drug shipments and to identify assets derived from illicit drug proceeds. They allow the Strike Forces to expand their ability to identify and dismantle the financial infrastructure of the targeted drug trafficking organizations. Both of these initiatives are funded through the Assets Forfeiture Fund. In FY 2010, OCDETF spent \$4.1 million from AFF on the DOMEX Teams.

Justification

OCDETF's FY 2012 budget request is squarely focused on the complexities of attacking the most significant drug threat facing the U.S. — the movement of drugs, guns, and money across the Southwest Border, which now also constitutes an organized crime threat to the U.S. and a national security threat to our Mexican neighbors. Although no single agency can address all aspects of this threat on its own, the OCDETF Program, with its multi-agency, strategic approach to attacking drug-related organized crime, is in the best position to direct a broad range of resources across the board to accomplish the goal. As such, OCDETF has sought this enhancement to comprehensively attack the highest-level Mexican drug trafficking organizations operating along and across the Southwest Border and the maritime transit zones, including organizations on the Attorney General's CPOT List and the Gatekeepers who facilitate their activities. OCDETF is requesting a total of \$9,300,000 allocating \$1,174,000 to the Investigations Decision Unit and \$8,126,000 to the Prosecutions Unit.

Through this request, the OCDETF Program intends to address the following priorities in attacking the Southwest Border threat: (1) identifying, investigating, prosecuting, and dismantling the CPOT and CPOT-linked organizations that are responsible for the manufacture or distribution of drugs and precursor chemicals to Mexico for subsequent distribution to the U.S., the manufacture or distribution of drugs within Mexico for subsequent distribution to the U.S., the transportation of drugs through the maritime transit zones to the U.S. or to Mexico for subsequent distribution to the U.S., the transportation to or distribution within the U.S. of drugs crossing the Southwest Border, the laundering of illicit drug proceeds and the smuggling of bulk cash proceeds back across the U.S./Mexico border, and the purchase or other acquisition of firearms in the U.S. with drug proceeds and subsequent smuggling of the firearms across the border into Mexico to further illegal activity; and (2) identifying, investigating, and prosecuting the Gatekeepers along the Southwest Border that are responsible for providing logistical support to the major Mexico-based drug trafficking organizations.

1. Co-located Strike Forces: Permanently Dismantling Mexican and Colombian CPOTs through Aggressive Targeting, Comprehensive Investigations and Prosecutions (6 positions (6 attorneys) 6 FTE and \$2,211,000)

This budget request seeks funding for DEA, ATF, FBI, USMS, and the U.S. Attorneys' Offices to continue their participation in the OCDETF Co-located Strike Forces initiated by the FY 2010 Southwest Border Supplemental that are already targeting the highest level Mexican and Colombian drug cartels that operate along and across the Southwest Border and in the maritime transit zones.

DEA already participates in all the OCDETF Co-located Strike Forces, providing multiple enforcement groups (typically one group supervisor, eight to twelve special agents, and various analysts per enforcement group) to all the Strike Forces. However, OCDETF has been unable to provide sufficient dedicated resources to fund either the personnel or operational expenses of the Strike Forces. Further, even though they have

been operating for years and achieving remarkable success, there has not been a The budget request will provide a predictable, steady source of funding for the Strike Force operational costs. To date, the operational expenses of the Strike Forces compete with all the agencies' other priorities and have sometimes been covered through last-minute re-allocation of leftover funds.

This is an inefficient method for supporting these vitally important Strike Forces, and, moreover, one that leaves the Strike Force members in constant turmoil as they worry when and whether there will be funds to operate and to support some of the biggest and best investigations in U.S. drug enforcement.

Finally, Assistant U.S. Attorneys (AUSAs) play the critical role of prosecuting the cases the Strike Forces have built. This involves marshalling massive amounts of evidence, with an eye to legal admissibility and sufficiency, into a coherent picture that is painted through one witness at a time. The attorneys who handle these complex investigations and prosecutions are among the most experienced and hard-working in the Department. They prosecute the small cases that lead to bigger cases, and they lead teams that present complex cases lasting months in trial and years in appellate litigation. These attorneys develop expertise in the sophisticated legal investigative techniques, as well as the substantive areas of law, that are needed to attack the full range of criminal activity in which the large drug cartels engage.

The OCDETF Strike Forces have proven successful. To keep pace with the caseload that will develop as a result of complex and time-intensive investigations, OCDETF must ensure that adequate prosecutorial resources are available. Specifically, OCDETF seeks in this budget request funding to continue the six attorneys who were added by the FY 2010 Southwest Border Supplemental and assigned to Co-located Strike Forces to handle prosecutions of major Southwest Border drug trafficking organizations.

2. Southwest Border Prosecutorial Activities: Maintaining the Capacity of the United States Attorneys' Offices to Handle OCDETF Prosecutions along the Southwest Border (41 positions (41 attorneys), 41 FTE and \$8,126,000)

Finally, this budget request seeks \$8,126,000 for the U.S. Attorneys' Offices' Southwest Border Drug Prosecutions Initiative. This initiative seeks to continue attorney to address the growing volume and complexity of Southwest Border OCDETF drug cases, including the growing scope of firearms trafficking investigations. It will also continue the successful implementation of the Department's Southwest Border Drug Strategy. Without being able to retain these recently provided resources, the U.S. Attorneys' Offices will not be able to keep pace with the law enforcement efforts of additional federal investigators hired in recent years.

The U.S. Attorneys' Offices in the five Southwest Border districts handle national and district-level priorities including narcotics trafficking, firearms trafficking, violent crimes, and immigration offenses. The AUSAs in these five districts directly adjacent to the Mexico border most significantly impacted. Since FY 2002, approximately 30

percent of all Southwest Border related OCDETF cases have been filed by the five Southwest Border districts – Arizona, Southern District of California, New Mexico, Western District of Texas, and the Southern District of Texas. Districts in every region in the nation have active investigations attacking the Mexican and Columbian Cartels.

The U.S. Attorneys' offices work closely with federal, state, and local investigative agencies on the Southwest Border initiatives described above. They are on the front lines of the national effort to prosecute both large-scale criminal enterprise cases involving significant trafficking organizations as well as other criminal offenses arising at the border with Mexico. The U.S. Attorneys also coordinate with Mexican prosecutors to share evidence in appropriate cases to ensure that justice is achieved either in U.S. or Mexican courts.

Prosecutorial efforts in the U.S. Attorneys' Southwest Border Drug Prosecutions Initiative will focus on the recent surge in violent crime at the Southwest Border related to illicit gun and drug trafficking. To combat the increased violence in the region, additional agents from the Customs and Border Patrol (CBP), ICE, DEA, ATF, FBI, and USMS are being deployed to the Southwest Border. As new investigative resources are allocated, the number of OCDETF investigations and prosecutions will increase by a proportionate amount. To address the resulting increase in OCDETF cases, 41 positions (41 attorneys) were provided in the FY 2010 Southwest Border Security Supplemental (P.L. 111-230). This proposal seeks to annualize them for the Southwest Border and other areas of the country most severely impacted by the Mexican cartels.

Impact on Performance

The requested enhancements will have the following impacts on the Program:

- This enhancement will support the initiation of 102 additional OCDETF investigations targeting organizations moving drugs across the Southwest Border. It will provide sufficient AUSA resources to support the prosecution activities associated with these additional initiations, thereby, making the OCDETF Program significantly more effective in identifying and fully dismantling the targeted organizations.
- An additional 47 AUSAs would result in an additional 329 indictments, 952 defendants charged, 807 defendants convicted and the disruption or dismantlement of an additional 24 CPOT-linked organizations each year.

RESOURCE REQUEST BY AGENCY:

OCDETF seeks \$9,300,000 to support OCDETF's efforts to attack organizations moving drugs and illicit proceeds across the Southwest Border of the U.S.

Base Funding

FY 2010 Enacted (w/resc./supps)				FY 2011 CR				FY 2012 Current Services			
Pos	agt/ atty	FTE	\$(000)	Pos	agt/ atty	FTE	\$(000)	Pos	agt/ atty	FTE	\$(000)
1,027	660	972	156,380	918	606	918	135,380	927	613	927	137,176

Personnel Increase Cost Summary

Type of Position	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2012 Request (\$000)	FY 2013 Net Annualization (change from 2012) (\$000)	FY 2014 Net Annualization (change from 2013) (\$000)
Attorney	173	47	8,126	8,126	8,460
Total Personnel	173	47	8,126	8,126	8,460

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2012 Request (\$000)	FY 2013 Net Annualization (Change from 2012) (\$000)	FY 2014 Net Annualization (Change from 2013) (\$000)
DEA Operation			681		
FBI Strike Force Operations			293		
ATF Strike Force Operations			105		
USMS Strike Force Operations			95		
Total Non-Personnel			1,174		

Total Request for this Item

	Pos	Agt/Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2013 Net Annualization (Change from 2012) (\$000)	FY 2014 Net Annualization (Change from 2013) (\$000)
Current Services	927	613	927	125,763	11,413	137,176		
Increases	47	47	47	8,126	1,174	9,300	8,126	8,460
Grand Total	974	660	974	133,889	12,587	146,476	8,126	8,460

VI. Program Offsets

Item Name: **Administrative Efficiencies and Extend Tech Refresh**

Budget Decision Unit(s): Investigations/Prosecutions

Program Offset: Positions 0 FTE 0 Dollars (\$536,000)

Description of Item

By limiting the number of conferences and/or the number of conference attendees and implementing the Department of Justice's plan to extend the refresh rate of desktops and laptops by one year, the OCDETF Program will realize \$536,000 in administrative efficiencies and technology refresh offsets.

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BUDGET EXHIBITS

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