
U.S. Department of Justice

Drug Enforcement Administration

FY 2014
Performance Budget
Congressional Submission



Table of Contents

- I. Overview1**
- II. Summary of Program Changes25**
- III. Appropriations Language and Analysis of Appropriations Language.....27**
- IV. Decision Unit Justification29**
 - A. International Enforcement
 - 1. Program Description29
 - 2. Performance Tables35
 - 3. Performance, Resources, and Strategies39
 - B. Domestic Enforcement
 - 1. Program Description47
 - 2. Performance Tables53
 - 3. Performance, Resources, and Strategies57
 - C. State & Local Assistance
 - 1. Program Description65
 - 2. Performance Tables69
 - 3. Performance, Resources, and Strategies71
 - D. Diversion Control
 - 1. Program Description75
 - 2. Performance Tables79
 - 3. Performance, Resources, and Strategies83
- V. Program Offsets by Item93**
 - A. Hollow Position Reduction93
 - B. Administrative Efficiencies95
 - C. Information Technology Savings.....97
- VI. Exhibits**
 - A. Organizational Chart
 - B. Summary of Requirements
 - C. FY 2014 Program Increases/Offsets by Decision Unit
 - D. Resources by DOJ Strategic Goal and Objective
 - E. Justification for Base Adjustments
 - F. Crosswalk of 2012 Availability
 - G. Crosswalk of 2013 Availability

- H. Summary of Reimbursable Resources
- I. Detail of Permanent Positions by Category
- J. Financial Analysis of Program Changes
- K. Summary of Requirements by Grade
- L. Summary of Requirements by Object Class
- M. Financial Analysis – Diversion Control Fee Account

I. Overview for the Drug Enforcement Administration (DEA)

Introduction

DEA enforces the provisions of the Controlled Substances Act (CSA) as they pertain to the control of illicit drugs, controlled substance pharmaceuticals, and listed chemicals. With close to 10,000 onboard employees dedicated to this single mission, DEA is the world's leading drug law enforcement agency. In order to provide the critical resources necessary for DEA's special agents, intelligence analysts, diversion investigators, and other personnel to continue their honorable and courageous efforts to reduce the availability of illicit drugs and precursor chemicals in America, DEA's FY 2014 budget request totals \$2,418,869,000. This request includes \$360,917,000 derived from fees, permanent cancellation of \$10,000,000 in prior year unobligated balances and provides for 8,316 Full-Time Equivalents (FTE) and 9,344 positions (including 4,294 special agents).¹ Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.justice.gov/02organizations/bpp.htm>.

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

Despite these challenges, DEA has made great strides against the scourge of drug trafficking and is proud of recent accomplishments. As an example, *Project Below the Beltway* targeted the Sinaloa and Juarez Cartels and violent street gangs and their distribution network in America. This initiative began in May 2010 and culminated on December 6, 2012. The Sinaloa and Juarez Cartels are responsible for bringing multi-ton quantities of narcotics, including cocaine, heroin, methamphetamine, and marijuana, from Mexico into the United States. These cartels are also believed to be responsible for laundering millions of dollars in criminal proceeds from illegal drug trafficking activities. *Project Below the Beltway*, comprised of investigations in 79 U.S. cities and several foreign cities within Central America, Europe, Mexico, South America, and elsewhere, resulted in 3,780 arrests and the seizure of 6,100 kilograms of cocaine, 10,284 pounds methamphetamine, 1,619 pounds of heroin, 349,304 pounds of marijuana, \$148 million dollars in U.S. currency, and \$38 million dollars in other assets. Individuals indicted in the cases are charged with a variety of crimes, including various felony provisions of the CSA; conspiracy to import controlled substances; money laundering; and firearms violations. DEA's Special

¹ This includes DEA's Salaries and Expenses and Diversion Control Fee Accounts, but it does not include an anticipated \$556,816,000; 1,323 FTE; and 1,355 positions (including 1,009 Special Agents) from reimbursement accounts.

Operations Division (SOD) coordinated *Project Below The Beltway*, which involved the participation of the Federal Bureau of Investigation (FBI), U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI), the Internal Revenue Service (IRS), Customs and Border Protection (CBP), the United States Marshals Service, the Office of Foreign Asset Control, and numerous state and local law enforcement entities.

While the success of this operation and many others from the past year are encouraging, drug abuse remains a very serious problem in the U.S. Results from the 2011 National Survey on Drug Use and Health (NSDUH) indicate that an estimated 3.1 million persons aged 12 or older used an illicit drug for the first time within the past 12 months. This averages to about 8,400 initiates per day.² Furthermore, the Office of National Drug Control Policy (ONDCP) paints a bleak picture when describing the consequences of illicit drug use:

“Drug use, including the abuse of prescription medications and underage drinking, significantly affects the health and well-being of the Nation’s youth and young adults. Substance use affects academic performance and military preparedness and is linked to crime, motor vehicle crashes and fatalities, lost productivity, and increased health care costs.... The consequences of illicit drug use in America’s workforce include job-related accidents and injuries, absenteeism, health care costs, and lost productivity.”³

To rid this country of the devastation associated with drug abuse, DEA’s FY 2014 request supports base funding adjustments and focuses on the continuation of established and successful enforcement initiatives. Along with the rest of the Department of Justice (DOJ), DEA continues to be committed to using its resources as effectively as possible. For example, in FY 2007, DEA initiated the Zero Based Budget (ZBB) process as a way to allocate funding to program offices based on a review of current program requirements and agency priorities, rather than prior year allocations. The goal of the process is to provide sufficient resources to all programs, while ensuring that priority programs and mandatory bills are fully covered.

In FY 2011, the Attorney General implemented a Department-wide hiring freeze, which established hiring caps for special agent and intelligence analyst positions and eliminated the hiring of support staff except for a few high priority exemptions. Additionally, the Attorney General directed the Department to eliminate non-essential spending. The hiring caps and spending guidance remained in place throughout FY 2012 and continue in FY 2013. DEA has also played an active role in the Attorney General’s Save Council and taken steps to realize efficiencies in many areas, including travel, conferences, training, and supplies. Furthermore, DEA has continued the ZBB process and now relies on it as an annual review of its base resources. The FY 2014 request represents an extension of DEA’s thorough internal budget review and includes savings realized during the ZBB process. DEA’s request contains only the most important base adjustments, which will allow DEA to fund mandatory and high priority programs. In FY 2014, DEA’s President’s Budget includes the following:

² “Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

³ “2012 National Drug Control Strategy”. Office of National Drug Control Policy.

Maintaining Current Services

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

Salaries and Expenses Account: The \$31,083,000 in base adjustments includes funding for the annualization of the 2013 pay raise of 0.5 percent, the 2014 pay raise of 1.0 percent, employee benefits, rent and facilities, Spectrum relocation, legacy radio operations and maintenance, and charges for positions stationed outside of the United States.

Diversions Control Fee Account: The \$8,980,000 in base adjustments includes funding for the annualization of the 2013 pay raise of 0.5 percent, the 2014 pay raise of 1.0 percent, the annualization of the FY 2012 position enhancements, employee benefits, rent and facilities, and charges for foreign positions.

Program Offsets

DEA will eliminate 514 vacant positions, including 50 special agent positions, considered “hollow positions.” DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA’s priorities and staffing requirements at that time. Prior budget events have led DEA to absorb escalating mandatory costs and resulted in personnel funding levels that were insufficient to fill all vacant positions. This reduction reflects the Department’s commitment to more closely aligning DEA’s authorized personnel and funding levels.

DEA’s FY 2014 request also contains \$11,918,000 in program offsets. This includes savings realized from increased efficiencies and reduced spending, including costs related to publications, travel, executive fleets, advisory contracts, promotional items, and information technology (IT) devices. The FY 2014 offsets also include savings realized from collaborating on IT contracts and potentially through sharing contracts.

Cancellation of Prior Year Unobligated Balances

The FY 2014 President’s Budget proposes the permanent cancellation of \$10,000,000 in prior year unobligated balances from DEA’s Salaries and Expenses Account.

FY 2014 Salaries and Expenses Account Program Changes By Strategic Goal

Strategic Goal	Item	Dollars	Pos	Agent	FTE
2	Hollow Position Reduction	\$0	-514	-50	0
2	Administrative and Operational Efficiencies	-\$9,880,000	0	0	0
2	Information Technology Savings	-\$2,038,000	0	0	0
2	Unobligated Balances	-\$10,000,000	0	0	0
Total Program Changes		-\$21,918,000	-514	-50	0

Mission

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

Strategic Goals

DEA operates under a combination of national strategies to combat the threat and trafficking of illegal drugs and the diversion of licit drugs. Specifically, DEA's FY 2014 request supports the following strategic goals:

- **“Prevent Terrorism and Promote the Nation’s Security Consistent with the Rule of Law; Prevent, disrupt, and defeat terrorist operations before they occur”**- DOJ FY 2012-2016 Strategic Plan, Strategic Goal 1; Strategic Objective 1.1.
- **“Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; Combat the threat, incidence, and prevalence of violent crime”**- DOJ FY 2012-2016 Strategic Plan, Strategic Goal 2; Strategic Objective 2.1.
- **“Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law; Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs”**- DOJ FY 2012-2016 Strategic Plan, Strategic Goal 2; Strategic Objective 2.3.
- **“Disrupt Domestic Drug Trafficking and Production”**- 2012 National Drug Control Strategy
- **“Strengthen International Partnerships”**- 2012 National Drug Control Strategy
- **“Improve Information Systems for Analysis, Assessment, and Local Management”**- 2012 National Drug Control Strategy
- **“Substantially reduce the flow of illicit drugs, drug proceeds, and associated instruments of violence across the Southwest border.”** – National Southwest Border Counternarcotics Strategy
- **“Substantially reduce the flow of illicit drigs and drug proceeds along the Northern Border.”** – National Northern Boder Counternarcotics Strategy
- **“Reduce transnational organized crime from a national security threat to a manageable public safety problem in the United States and in strategic regions around the world”** - Strategy to Combat Transnational Organized Crime

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

1. Reduce Gang Violence: By September 30, 2013, in conjunction with state and local law enforcement agencies, reduce the number of violent crimes attributed to gangs to achieve 5 percent increases on three key indicators:
 - youths who exhibited a change in targeted behaviors as a result of participation in DOJ gang prevention programs;
 - coordination on gang investigations among Federal, state, and local law enforcement resulting in gang arrests; and
 - intelligence products produced in support of Federal, state, and local investigations that are focused on gangs posing a significant threat to communities.
2. Dismantle 725 Consolidated Priority Organization Target⁴ (CPOT)-linked drug trafficking organizations.
3. Disrupt 1,700 CPOT-linked drug trafficking organizations.

DEA is a single mission agency focused on drug enforcement. However, with an established link between drug trafficking and violent crime, DEA's drug enforcement efforts impact violent crime rates across the United States. DEA's ongoing effort to combat violent drug trafficking organizations leads to the restoration of safer environments for citizens. In furtherance of this effort, and in support of the Department's violent crime initiatives, on August 3, 2010, DEA and DOJ's Criminal Division entered into a Memorandum of Understanding (MOU). Pursuant to the terms of the MOU, DEA agreed to establish a partnership with the National Gang Targeting, Enforcement and Coordination Center (GangTECC) in order to enhance the combined abilities of the partner agencies to coordinate information and enforcement activities to disrupt and dismantle regional, national, and international gang threats. Specifically, DEA established an operational partnership between SOD and GangTECC to enhance GangTECC capabilities, coordinate existing GangTECC cases/operations, assist in the initiation of new GangTECC cases and initiatives, and enhance the investigations of regional, national, and international gang threats by providing operational intelligence and targeting support. After supporting only approximately 100 cases in the three years prior to the merger, the GangTECC Section, under the operational direction of SOD, supported 944 cases in its first full year at SOD and exceed the targeted goal of 775 in FY 2012.

DEA's drug enforcement efforts focus on the disruption or dismantlement of the most significant domestic and international drug trafficking and money laundering organizations. DEA's current long-term outcome goal is to dismantle 650 and disrupt 1,550 CPOT-linked drug trafficking organizations during FY 2012 through FY 2016.⁵ Already, DEA's coordinated enforcement and intelligence efforts with Federal, state, local, and international partners are resulting in the largest

⁴ As designated by the Attorney General and Organized Crime Drug Enforcement Task Force (OCDETF) member agencies, a CPOT is the command and control element of a major international drug trafficking organization and/or money laundering enterprise that significantly impacts the United States drug supply. CPOTs represent the "Most Wanted" drug trafficking and money laundering organizations.

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

and most dangerous drug trafficking organizations being put out of commission. In FY 2012, DEA disrupted or dismantled 3,120 domestic and foreign priority targets, of which 524 were linked to CPOT organizations. Furthermore, through the first quarter of FY 2013, 40 of the 67 CPOTs (60 percent) identified on the FY 2013 CPOT list had been indicted and 20 of the 67 CPOTs (30 percent) had been arrested .

In addition to the goals cited above, DEA has its own long-term objective to deny drug trafficker revenue to the greatest extent possible. DEA is not only making it more difficult for traffickers to operate by taking their money away, but is following the money trail back to the command and control of the most significant drug trafficking organizations impacting the United States. Drug Trafficker Revenue Denied reflects the outcome of activities scored to DEA's International, Domestic, and State and Local Decision Units. On a daily basis, DEA denies revenue to drug trafficking organizations through money and property seized, as well as the value of seized drugs, which is the amount of funds invested in the drugs by the owner computed at conservative production cost levels. From FY 2005 through FY 2012, DEA denied a total of \$21.5 billion in drug trafficking revenue. This cumulative total includes \$14.6 billion in assets seized (currency and property).

DEA's Strategic Priorities and Accomplishments

Since its creation in 1973, DEA has evolved from a small, domestic-oriented law enforcement agency to a globally recognized agency with almost 10,000 employees. As the only single-mission federal agency dedicated to drug law enforcement, DEA's reputation and success can be attributed to the outstanding and collective contributions of the men and women of DEA.

DEA has proven its ability to disrupt and dismantle powerful drug organizations, which has resulted in fewer drugs on the street, millions of dollars kept out of the hands of criminals and terrorists, fewer dangerous drugs in the hands of our children, and less violence in our communities. Every day, DEA shuts down criminal networks, bolsters national security, and restores peace and safety to citizens. The following section highlights some of DEA's strategic priorities, as well as recent accomplishments.

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

DEA enforcement efforts work to disrupt and dismantle entire drug trafficking networks by targeting their leaders for arrest and prosecution, confiscating the profits that fund continuing drug operations, and eliminating international sources of supply. To accomplish its mission, DEA focuses its investigations on CPOTs and Priority Target Organizations (PTOs),⁶ which are the most significant international and domestic drug trafficking and money laundering organizations. DEA's participation in the CPOT initiative has led to the indictment of 125, the arrest of 92, and the extradition of 50 of the 163 total FY 2003-FY 2013 CPOTs. At the end of the first quarter of FY 2013, 61 of the 67 organizations on the FY 2013 CPOT list (91 percent)

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

had active PTO investigations directed at or linked to them. Furthermore, of the 17,972, foreign and domestic PTO investigations recorded since 2001, 6,719 had been dismantled at the close of FY 2012, an 18 percent increase over the 5,696 total PTOs dismantled at the close of FY 2011.

Although traditional criminal organizations continue to dominate the international drug trade at all levels, drug income is a source of revenue for some international terrorist groups. DEA investigations have identified links between terrorist organizations and/or individuals under investigation for drug violations. At the end of the first quarter of FY 2013, 25 of the 67 organizations on the CPOT list are associated with terrorist organizations. Additionally, DEA has identified 18 of the 48 (38 percent) of the organizations on the Foreign Terrorist Organizations list as having possible ties to the drug trade. As a result, DEA's drug trafficking and money laundering enforcement initiatives support and augment U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations and by preventing the use of illicit drugs as barter for munitions to support terrorism.

As stated in the 9/11 Commission Report and corroborated by a significant body of DEA reporting, drug trafficking has always been a source of revenue for the Taliban, which stockpiled, controlled, and taxed Afghanistan's opium trade during their regime. This association continues today as the Taliban uses proceeds from the Afghan drug trade as a source of revenue for Anti-Coalition activities.

DEA criminal investigations have also documented that some South American drug trafficking organizations are shipping cocaine provided by the Fuerzas Armadas Revolucionarias De Colombia (FARC) from South America to West Africa for further distribution in Europe. Additionally, DEA investigations have identified drug trafficking and money laundering organizations in West Africa, which are led by Lebanese nationals with suspected ties to Hezbollah. The involvement of Africa-based terrorist organizations, such as Al Qaeda in the Magreb (AQIM) in West Africa, Ansar Dine in Mali, and Al Shabaab in East Africa, in international drug trafficking activities remains a priority for DEA.

Established in 1994, SOD, a DEA-led multi-agency enforcement coordination entity, is the backbone of DEA's efforts to disrupt and dismantle major drug trafficking organizations, including narco-terrorism investigations. SOD's objective is to establish seamless law enforcement strategies and operations aimed at dismantling national and international trafficking organizations by attacking their command and control communications. Emphasis is placed on major drug trafficking and terrorist organizations financed by drug profits, which operate across jurisdictional boundaries on a regional, national, and international level. Operating at a classified level, SOD provides foreign and domestic based law enforcement partners with timely investigative information enabling them to fully exploit federal law enforcement's investigative authority under Title III of the U.S. Code. SOD actively supports multi-jurisdiction, multi-nation, and multi-agency wire intercept investigations, while working jointly with Federal, state, and local agencies, to coordinate overlapping investigations, ensuring that tactical and strategic intelligence is deconflicted and shared between law enforcement agencies.

SOD's Counter-Narcoterrorism Operations Center (CNTOC) is the central hub for addressing the increase in narcoterrorism related issues and investigations. The CNTOC supports

SUCCESS STORY: *Operation Red Wine*

*Prior to his arrest in March 2009, Haji Baghcho led one of the largest heroin trafficking organizations in the world. The DEA, in cooperation with their Afghan counterparts, conducted **Operation Red Wine**, which revealed that Bagcho manufactured heroin in clandestine laboratories along Afghanistan's border region with Pakistan. According to information presented at trial, Baghcho, who had been operating his heroin business since at least the 1990s, sent the drug to more than 20 countries, including the United States. Proceeds from his heroin trafficking were then used to support high-level members of the Taliban in furtherance of their insurgency in Afghanistan. On March 13, 2012, Baghcho was found guilty after trial of violations of 21 USC 959, 21 USC 960a, and 21 USC 963. On June 12, 2012, Baghcho was sentenced to life in prison for conspiring to distribute heroin to the United States and using drug proceeds to fund, arm, and supply the Taliban. In addition to his prison term, Bagcho was ordered to forfeit \$254,203,032 in drug proceeds along with his property in Afghanistan. Bagcho's case marks the second time a trial has been held under a narco-terrorism statute enacted as a provision of the USA Patriot Act, which went into effect in 2006.*

SOD's two unique field enforcement groups - the Bilateral Case Group (959 Group) and the Narco-Terrorism Group (960a Group). The broad jurisdictional reach of 21 USC §§ 959 and 960a, part of the USA Patriot Act, significantly expands DEA's authority into narco-terrorism investigations and prosecutions. 21 USC § 959 expands the reach of DEA to acts of manufacture or distribution outside of the U.S. This section makes it unlawful for any person to manufacture or distribute a controlled substance or listed chemical intending or knowing that it will be unlawfully imported to the United States. 21 USC § 960a allows for prosecution of terrorist-related, extra-territorial drug offenses and provides DEA with a particularly powerful tool to prosecute, disrupt, and dismantle narco-terrorist groups worldwide. The mission of these units differs from most other DEA field groups in that they regularly bring complex U.S. indictments against foreign based targets that are not vulnerable to traditional, domestic-based drug conspiracy charges.

Attack the financial infrastructure of drug trafficking organizations

DEA places a high priority on financial drug investigations by targeting the financial infrastructure of major drug trafficking organizations and members of the financial community who facilitate the laundering of their proceeds. DEA's position on the money laundering threat to the United States is two-fold. First, DEA is focused on proceeds generated by the illegal drug industry and the devastating effect this money has on the American public and the financial services industry. Second, DEA is addressing the threat that drug proceeds represent as a means of financing terrorist organizations.

DEA aims to stem the flow of money to the drug cartels by targeting command-and-control elements, both domestic and international, responsible for coordinating the smuggling and laundering of illicit proceeds. By targeting the flow of revenue back to sources of the drug supply, DEA is able to hinder the financing of subsequent cycles of illegal drugs destined for the U.S., and in turn, cut off terrorist funding. Consequently, DEA's focus on following the money is instrumental in identifying command and control elements of major international drug trafficking organizations.

SUCCESS STORY: Lebanese Canadian Bank

On August 20, 2012, DEA announced the seizure of \$150 million in connection with a civil money laundering and forfeiture complaint filed in December 2011. This complaint alleged a massive, international scheme in which entities linked to Hezbollah, including the now defunct Lebanese Canadian Bank (LCB), used the U.S. financial system to launder narcotics trafficking and other criminal proceeds through West Africa and back into Lebanon. From approximately January 2007 to early 2011, at least \$329 million was transferred by wire from LCB and other financial institutions to the U.S. for the purchase of used cars that were then shipped to West Africa. Cash from the sale of the cars, along with the proceeds of narcotics trafficking, were funneled to Lebanon through Hezbollah-controlled money laundering channels. LCB played a key role in these money laundering channels and conducted business with a number of Hezbollah-related entities. On February 10, 2011, the U.S. Department of the Treasury, Financial Crimes Enforcement Network (FinCEN) issued a finding and proposed rule, pursuant to the USA Patriot Act, that LCB is a financial institution of primary money laundering concern. After the FinCEN action, another Lebanese financial institution, Société Générale de Banque au Liban, acquired the assets and liabilities of LCB for \$580 million, \$150 million of which is being held in an escrow account (the LCB Escrow Funds) at the Banque Libano Française SAL. Because the LCB Escrow Funds were traceable to the assets of LCB, they were also subject to forfeiture, but since they were in an account in Lebanon, the U.S. was unable to seize the LCB Escrow Funds directly. However, pursuant to U.S. law, the U.S. can seize funds located in a bank's correspondent accounts in the U.S. if there is probable cause to believe that funds subject to forfeiture are on deposit with that bank overseas. Based on this provision and others, the seizure warrants were executed in August 2012 and the \$150 million was seized.

Through DEA's Office of Financial Operations and specialized money laundering groups in each of DEA's 21 domestic field divisions, DEA uses its drug intelligence information, technology, and special agent resources to aggressively address the drug trade business. In this effort, DEA works closely with elements of the private sector, including Federal and state regulators who oversee the industry. To make a significant impact on the drug trade in the United States, DEA is tracking and targeting illicit drug money back to the sources of supply before it can be used to finance the next production cycle of illegal drugs. The goal is to concentrate enforcement efforts and thereby disrupt drug markets, cause organizations to lose personnel and profits, and make drug trafficking no longer profitable. During FY 2012, DEA denied total revenue of \$2.8 billion from drug trafficking and money laundering organizations through asset and drug seizures. This includes nearly \$750 million in cash seizures.

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

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

from legitimate sources. At the same time, they ensure an adequate and uninterrupted supply for legitimate medical, commercial, and scientific needs.

SUCCESS STORY: The Farmer's Market

*In April 2012, Federal, state, and international law enforcement authorities arrested eight people who all face federal drug trafficking and money laundering charges stemming from their creation and operation of a "secret" on-line narcotics market place – known as the "The Farmer's Market" – which sold a variety of controlled substances to approximately 3,000 customers in 34 countries and 50 states. The enforcement actions were a result of **Operation Adam Bomb**, a two-year investigation led by the DEA, with significant assistance from the Netherlands Regional Police Force Flevoland, prosecutors from the International Legal Assistance Center North East Netherlands, DOJ's Office of International Affairs, and the United States Postal Service. The arrests of the defendants took place due to the cooperation and assistance of the Scottish Crime and Drug Enforcement Agency, the Colombian Central Directorate of the Judicial Police and Intelligence, Migracion Colombia, the United States Postal Inspection Service, and Federal, state, and local authorities in New York, Iowa, Georgia, Florida, New Hampshire, Pennsylvania, Michigan, and New Jersey. The drug trafficking organization targeted in **Operation Adam Bomb** was distributing dangerous and addictive drugs to every corner of the world, and trying to operate online in secrecy, utilizing the TOR network, IP anonymizers, and covert currency transactions. However, investigators were able to infiltrate the drug trafficking organization and its technology during the course of the investigation.*

DEA's Diversion Control Program is using all criminal and regulatory tools possible to identify and determine who is most likely involved in the illicit distribution of controlled substances, as well as individuals and/or organizations violating the CSA, including shutting down illegal internet pharmacies. For example, DEA is using the Automated Reports and Consolidated Order System (ARCOS) to identify high volume purchasers of narcotic controlled substances. DEA also works with key industry leaders to reduce the availability of Internet access, express shipping, and financial services to rogue online pharmaceutical trafficking organizations. Finally, DEA works to raise awareness of the problem of pharmaceutical diversion via the Internet, promote voluntary efforts to restrict legitimate business services from being used by illicit Internet controlled pharmaceutical traffickers, and identify potential sources of data maintained by businesses that may aid in targeting enforcement efforts against the largest Internet pharmaceutical drug trafficking organizations.

Due to DEA enforcement activities, increased compliance among wholesalers and distributors, and the passage of the Ryan Haight Act, there

has been a reduction in rogue domestic DEA registered brick and mortar pharmacies that operated or associated with schemes via the Internet. DEA continues to identify, target and investigate criminal organizations, both domestically and internationally, that look to exploit the Internet for the distribution of controlled pharmaceuticals.

DEA's Tactical Diversion Squads (TDS) are a key element of DEA's enforcement strategy to address the diversion of controlled substances. These teams are solely dedicated to investigating, disrupting, and dismantling individuals and organizations involved in drug diversion schemes. Additionally, they combine the expertise of diversion investigators, special agents, and task force officers from various state and local law enforcement or regulatory agencies. An important purpose of TDS groups is to provide coordination with different judicial districts to maximize the

effectiveness of multiple investigations and prosecutions. As of September 30, 2012, there are 48 operational Tactical Diversion Squads (TDS) throughout the U.S. During FY 2012, the TDS groups collectively seized \$31,177,687.

Operation Sin Fronteras is DEA's only international initiative dedicated to the investigation of the diversion of legitimate chemical and pharmaceutical products used for the manufacture of illicit drugs. The operation sponsors information sharing and encourages multi-lateral regulatory and enforcement operations among its 12 member nations, including all South American countries, Panama, and the U.S. The success of ***Operation Sin Fronteras*** is not just based on the multi-ton chemical seizures that occur, but also in the training and awareness of chemical control laws that decrease availability of precursor chemicals for illicit drugs.

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

DEA's Intelligence Program is comprised of several components that are responsible for gathering, analyzing, and disseminating domestic and international drug-related intelligence. It also collects and reports national security intelligence encountered during the course of DEA's drug investigations. This intelligence facilitates DEA seizures and arrests, strengthens investigations and prosecutions of major drug trafficking organizations, and provides policy makers with drug trend information upon which tactical and strategic decisions are based.

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

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

Another important piece of DEA's Intelligence Program is DEA's membership in the Intelligence Community (IC). One part of DEA, the Office of National Security Intelligence

(ONSI), is designated a full member of the IC under Executive Order 12333 and USC Title 50. ONSI ensures that national security information obtained in the course of conducting its worldwide drug law enforcement mission is expeditiously shared with the national security and intelligence communities. On average, ONSI shares more than 5,000 such reports a year and they contain information on topics such as foreign intelligence, international organized crime, international drug trafficking organizations, weapons of mass destruction, and terrorism. This office also coordinates DEA's participation in the full spectrum of national level intelligence processes and products, including the President's Daily Brief and National Intelligence Estimates.

Finally, DOJ initiated the realignment of functions due to the closure of the National Drug Intelligence Center (NDIC) in Johnstown, PA. Core NDIC functions have been reassigned to DEA's Intelligence Program. The Department authorized the movement of 57 positions and associated resources to DEA to continue Document and Media Exploitation (DOMEX) and high-priority strategic intelligence reporting. For DOMEX, DEA will utilize an existing NDIC methodology that allows analysts to quickly process important information from case files, as well as documents and electronic media seized during drug raids, to organize and assimilate significant amounts of evidence to reveal associations, assets, and methods of drug traffickers and assist in criminal investigations and prosecutions. The priority strategic intelligence functions previously performed by NDIC are now the responsibility of the Intelligence Division. The Domestic Strategic Intelligence Unit has been established within DEA's Indications & Warning Section to perform this function. This unit's mission is to research, analyze, and produce balanced strategic analyses for policymakers, law enforcement authorities, and healthcare professionals.

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

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

Because of the international nature of drug trafficking, experience has shown that strong partnerships with foreign counterparts are vital in the drug law enforcement arena. Furthermore, DEA is not authorized to operate unilaterally overseas, so cooperation with the U.S. State Department, as well as foreign law enforcement agencies is essential to the DEA mission. To build and nurture these relationships, DEA has 86 offices in 67 foreign countries and more than 700 onboard employees stationed overseas. DEA's cooperative partnerships with foreign nations help them to develop more self-sufficient, effective drug law enforcement programs. As part of this effort, DEA conducts training for host country police agencies at the DEA training facilities in Quantico, Virginia and on-site in the host countries. DEA also works with host nation counterparts to stand up and train vetted units of foreign law enforcement officers with whom DEA works and shares information. In addition, the United States has extradition relationships

with many nations and DEA makes use of these arrangements whenever possible. The agency's worldwide partnerships have led to multiple arrests and extraditions of the highest-level drug traffickers and money launderers, narcoterrorists, and international arms dealers.

In addition to international partnerships, DEA also recognizes the need for continued coordination of drug enforcement efforts with Federal, state, and local counterparts across the country. DEA has 223 domestic offices organized in 21 divisions throughout the United States and works closely with state and local partners. Cooperation provides advantages to all participating agencies and provides a federal presence in sparsely populated areas where DEA would not otherwise be represented. As of September 30, 2012, DEA led 195 state and local task forces with an on-board strength of 1,764 DEA special agents and 2,158 state and local task force officers. Additionally, DEA trained 49,118 state and local officers in FY 2012.

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

DEA also provides direct assistance to other law enforcement agencies through its State and Local law enforcement clandestine laboratory training program. At the clandestine lab training facility, DEA trains Federal, state, local, and foreign law enforcement officials on the latest techniques in clandestine laboratory detection, enforcement, and safety. During the first three quarters of FY 2012, the Clandestine Laboratory Training Unit conducted training for a total of 845 state and local law enforcement officers. This includes State and Local Clandestine

SUCCESS STORY: Operation Munday

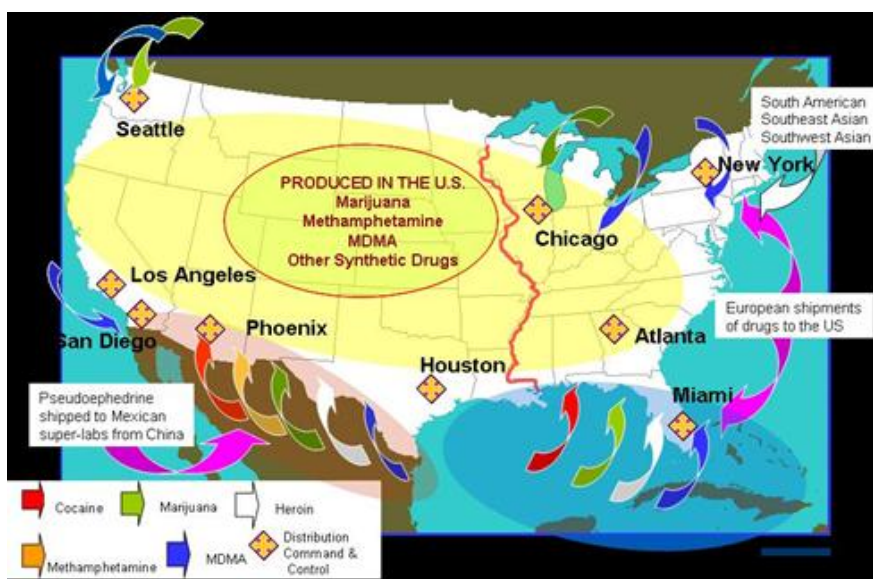
*In December 2012, the DEA New England Field Division (NEFD) Worcester TDS seized 16 kilograms of crystal methamphetamine (ice) in Walpole, Massachusetts, as a result of an ongoing investigation into a Mexican drug trafficking organization with distribution points in southern Massachusetts and Rhode Island. The shipment of meth was secreted inside a hidden compartment in a Jeep Liberty which was shipped on a car carrier from California to Massachusetts. This ice seizure was part of NEFD Worcester TDS' OCDETF **Operation Munday**, which had been targeting a Mexico-based drug trafficking organization that distributed multi-kilogram quantities of crystal meth, cocaine, and thousands of oxycodone tablets in Rhode Island and southern Massachusetts. The investigation involved several DEA offices in the NEFD and Los Angeles Field Division (LAFD), as well as over a dozen state and local agencies on the East and West coasts. The 16 kilograms of ice are a record seizure of crystal meth in New England and the case is indicative of cooperative efforts that occur through collaboration in DEA Task Force settings.*

Laboratory Certification Training, Site Safety Training, Tactical Training, as well as training conducted for the National Guard and the FBI's National Improvised Explosive Familiarization Training.

Drug Threats to the United States

DEA's most recent domestic drug threat assessment map (see below) provides a snapshot of the highly dynamic drug trafficking environment in the U.S. and highlights the challenges we continue to face in reducing the nation's illicit drug supply. The map is based on intelligence relating to the demand for illegal drugs and their suppliers and distributors. The threat assessment encompasses data findings from DEA field division assessments, open-source reports, drug abuse indicators, reports from EPIC and the Joint Interagency Task Force-West, and information on PTOs. This assessment identifies the primary illicit drug distribution patterns and the major organizations involved, as identified through DEA enforcement and intelligence collection activities.

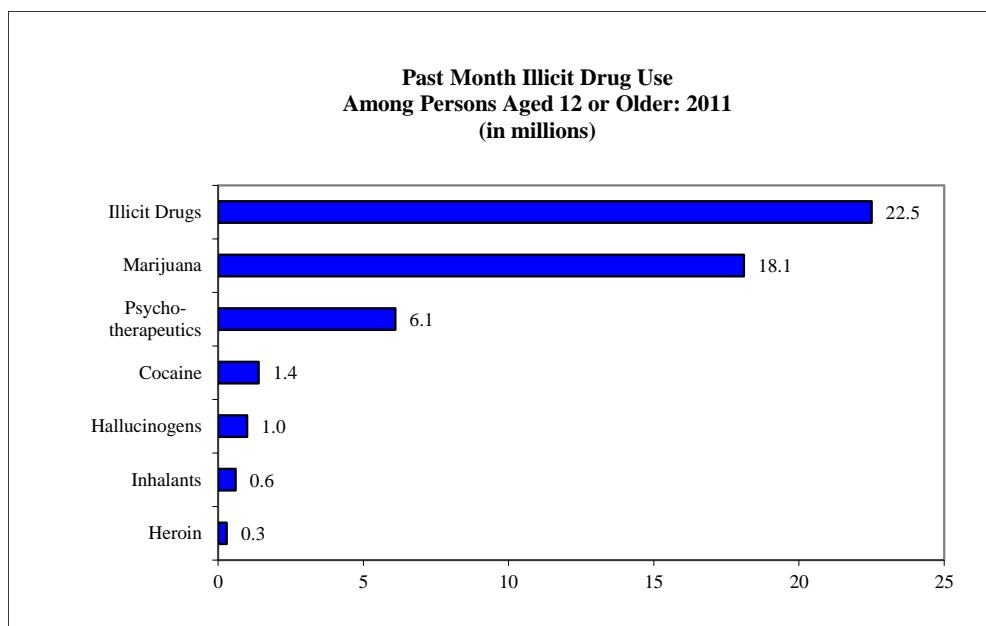
Primary U.S. Drug Threat Vectors and Distribution Centers



In 2011, an estimated 22.5 million Americans aged 12 or older were current (past-month) users of illicit drugs. This estimate represents 8.7 percent of the population aged 12 or older. Of these users, 6.5 million were classified as being dependent on or abusing illicit drugs within the past year. The following chart provides a breakout of the usage data by drug type:^{7,8}

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

⁸ "Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings." U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.



The following section provides further information on the top drug threats facing the U.S.:

Methamphetamine



Methamphetamine (meth) is a stimulant. Regular methamphetamine is a pill or powder; crystal meth resembles glass fragments or shiny blue-white “rocks” of various sizes. Methamphetamine is swallowed, snorted, injected, or smoked. Methamphetamine is a Schedule II stimulant under the CSA, which means that it has a high potential for abuse and limited medical use. It also has a low rate of sustained recovery and it is cheap to manufacture. According to the 2011 NSDUH, the number and percentage of persons aged 12 or older who were current users of methamphetamine in 2011 (439,000 or 0.2 percent) were similar to those from 2007 through 2010, but lower than those from 2002 through 2006. Additionally, the number of recent new users of methamphetamine among persons aged 12 or older was 133,000 in 2011, which was similar to the 2010 estimate (107,000), but lower than the 2002 to 2006 estimates (ranging from 192,000 to 318,000).⁹

Precursors of methamphetamine include, but are not limited to, ephedrine, pseudoephedrine, monomethylamine, and phenylacetic acid. These chemicals are trafficked globally, whereas methamphetamine in its final form is largely trafficked regionally. Worldwide, methamphetamine is predominantly used in Southeast Asian nations. Traditional suppliers include China, the Philippines, and Burma; however, in recent years Iran has become a major producer with focused supply efforts in Southeast Asia. A number of indicators reflect increased production of methamphetamine in Mexico, including rising seizures of the drug along the Southwest border and in Mexico, as well as, an increase in a number of methamphetamine

⁹ “Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

laboratories seized in Mexico over the past several years. Also, enormous quantities of precursor chemicals seized in Mexico point to increased levels of methamphetamine production.

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

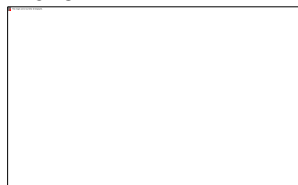
Cocaine



Cocaine is an intense, euphoria-producing stimulant drug with strong addictive potential. The powdered, hydrochloride (HCl) salt form of cocaine can be snorted or dissolved in water and injected. Crack is cocaine that has not been neutralized by an acid to make the HCl salt; this form of cocaine comes in a rock crystal that can be heated and its vapors smoked. Like methamphetamine, cocaine is a Schedule II stimulant under the CSA. The 2011 NSDUH found that there were 1.4 million current cocaine users aged 12 or older, or 0.5 percent of the population. These estimates were similar to the number and percentage in 2010 and 2009, but lower than those from 2002 through 2008. The number of past year cocaine initiates aged 12 or older declined from 1.0 million in 2002 to 670,000 in 2011; the number of initiates of crack cocaine declined during this period from 337,000 to 76,000.¹⁰

Cocaine is derived from coca leaves grown in Bolivia, Peru, and Colombia. The cocaine manufacturing process takes place in remote jungle labs where the raw product undergoes a series of chemical transformations. In 2011, Colombia accounted for approximately 25 percent of the world’s potential pure cocaine production. In 2010, for the first time in recent history, Peru surpassed Colombia in potential 100 percent pure cocaine production with 325 metric tons, compared to 270 metric tons produced in Colombia. However, Colombia is still responsible for the vast majority—approximately 95 percent in CY 2011—of wholesale cocaine HCl seized in the United States. In addition, hectares of coca cultivation in Colombia far surpass those in Peru.

Heroin



Heroin is a highly addictive drug and the most rapidly acting of the opiates. Heroin is typically sold as a white or brownish powder, or as the black sticky substance known on the streets as “black tar heroin”. Although purer heroin is becoming more common, most street heroin is “cut” with other drugs or with substances. It can be injected, smoked, or

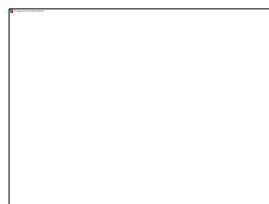
¹⁰ “Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

sniffed/snorted. Heroin is a Schedule I substance under the CSA meaning that it has a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision. According to the most recent NSDUH, there were 281,000 current heroin users aged 12 or older in 2011, or 0.1 percent of the population. These estimates were similar to those from 2006 through 2010, but were higher than those in 2005 and 2003. In 2011, there were 178,000 persons aged 12 or older who used heroin for the first time within the past year. Although this number was similar to estimates in 2010 and 2009, the 2011 estimate was higher than the estimates during 2005 to 2007. Estimates during 2005 through 2007 ranged from 90,000 to 108,000 per year.¹¹

The U.S. heroin market is supplied entirely by foreign sources. Heroin is produced and made available in the U.S. from four distinct geographical areas: South America (Colombia), Mexico, Southeast Asia (primarily Burma), and Southwest Asia (primarily Afghanistan). Within the U.S., there are two distinct heroin markets. East of the Mississippi River, highly pure, white powder heroin from South America is the predominant type, entering the U.S. primarily through east coast international airports, the Caribbean, and the Southwest Border. In recent years, Mexican heroin has also made inroads east of the Mississippi River, as has some Southwest Asian heroin. West of the Mississippi River, black tar heroin from Mexico is the predominant type, entering the U.S. through the Southwest Border.

Although Afghanistan produces the vast majority of the world's illicit opiates, only limited quantities of heroin found in American cities is of Afghan origin. Approximately 53 percent of the heroin seized in the U.S. is of South American origin. Colombian heroin is sometimes transported directly from Colombia or Ecuador to the United States. Other times, it is sold to Mexican drug trafficking organizations who oversee the transportation of the heroin through the Southwest Border via couriers to U.S. cities.

Marijuana



Marijuana is a mind-altering (psychoactive) drug. It is a dry, shredded green/brown mix of flowers, stems, seeds, and leaves from the Cannabis sativa plant. It is usually smoked. Like heroin, cannabis is a Schedule I substance under the CSA. In 2011, there were 18.1 million past month users of marijuana, which made it the most commonly used illicit drug. In 2011, the rate of current marijuana use was similar to the rate in 2009 and 2010, but it was higher than those in 2002 through 2008. Between 2007 and 2011, the rate of use increased from 5.8 to 7.0 percent of the population aged 12 or older, and the number of users increased from 14.5 million to 18.1 million. In 2011, marijuana was the drug with the largest number of past year initiates among persons aged 12 or older, with 2.6 million using marijuana for the first time, or an average of 7,200 new users each day.¹²

¹¹ "Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings." U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

¹² "Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings." U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

Cannabis is grown in the United States, Canada, Mexico, South America, Asia, and the Caribbean (mostly in Jamaica). In an effort to avoid the heightened detection and eradication of outdoor grows in the U.S., and to reap greater profits from the high-potency marijuana produced indoors, some criminal groups have shifted from outdoor to indoor cultivation. In recent years, marijuana cultivation has also increased dramatically on public lands. The primary source countries for foreign marijuana destined for the United States are Mexico and Canada.

“Medical” marijuana is legal in 18 states and the District of Columbia, and efforts to legalize marijuana continue. However, the Offices of the U.S. Attorneys continue a letter writing campaign to encourage property owners to voluntarily close dispensaries/grows. The Food and Drug Administration (FDA) has not approved smoked marijuana for any condition or disease. Rather it has stated that “there is currently sound evidence that smoked marijuana is harmful,” and “that no sound scientific studies supported medical use of marijuana for treatment in the United States, and no animal or human data supported the safety or efficacy of marijuana for general medical use.”

Non-Medical Use of Prescription Drugs



Prescription drug abuse is the Nation’s fastest-growing drug problem. The diversion and abuse of controlled prescription drugs are a significant concern, especially because pharmaceutical controlled substances engender a false sense of security. According to the 2011 NSDUH, 6.1 million people aged 12 or older, or 2.4 percent of the population, used prescription-type psychotherapeutic drugs for non-medical reasons during the past month. This estimate is lower than the estimates in 2010 and 2009. Also in 2011, 2.3 million people aged 12 or older used non-medical pain relievers for the first time. Along with marijuana and cocaine, pain relievers were one illicit drug that had the highest level of past year dependence or abuse in 2011. The number of persons with pain reliever dependence or abuse increased from 1.4 million in 2004 to 1.8 million in 2011.¹³

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

¹³ “Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings.” U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

Synthetic Drugs



Synthetic cannabinoids (sometimes sold under brand names such as K2 or Spice) are emerging drugs of considerable concern. These depressant/hallucinogen drugs are predominately produced in China, and are then smuggled into the U.S., where they are prepared for packaging and marketed over the Internet, or supplied to retail distributors before being sold to the public at retail stores (e.g. “head” shops, convenience stores, gas stations and liquor stores). The legal status of these substances depends on the chemical components and the jurisdiction. Products such as K2 or Spice, often labeled “not intended for human consumption,” contain synthetic cannabinoids which are often stronger than tetrahydrocannabinol (THC), the active psychoactive compound found in marijuana. Users report highs ranging from 30 minutes to two hours. Permanent organ damage and deaths associated with abuse of synthetic cannabinoids have occurred in the United States.

On July 9, 2012, President Barack Obama signed the Food and Drug Administration Safety and Innovation Act (Pub. L. 112-144; FDASIA) and amended several provisions of the CSA. This act permanently placed 15 synthetic cannabinoids in Schedule I. Five of these synthetic cannabinoids had previously been covered under a temporarily emergency scheduling action. The DEA Administrator signed a Final Order to emergency schedule the five synthetic cannabinoids to prevent an imminent hazard to the public safety; this Final Order became effective upon publication in the Federal Register on March 1, 2011. On February 29, 2012, the DEA extended the temporary scheduling of these five substances pending the passage of the FDASIA.

The abuse of and interest in synthetic stimulants sold under the guise of “bath salts”, “plant food”, and “glass cleaner” has also been growing. These products have been found to contain a variety of substitute cathinones substances under the phenethylamine class of drugs, including methylenedioxy-pyrovalerone (MDPV), mephedrone, methylone, and other substances. These stimulant/hallucinogen drugs are marketed under names like Ivory Wave, Bliss, White Lightning, Hurricane Charlie, and Vanilla Sky and are akin to MDMA (ecstasy), metham-phetamine and PCP. They can be very powerful and dangerous. These products have become increasingly popular, particularly among teens and young adults, and are sold at a variety of retail outlets, in head shops, and over the Internet and are often more dangerous than the drugs they intend to mimic. Extreme bizarre behavior and overdose deaths have been associated with the use of synthetic cathinones. These substances are labeled “not intended for human consumption” as a means to defend against the Government’s utilization of the federal Controlled Substance Analogue Enforcement Act. However, they have not been legally approved by the FDA for human consumption or for medical use, and there is no oversight of the manufacturing process.



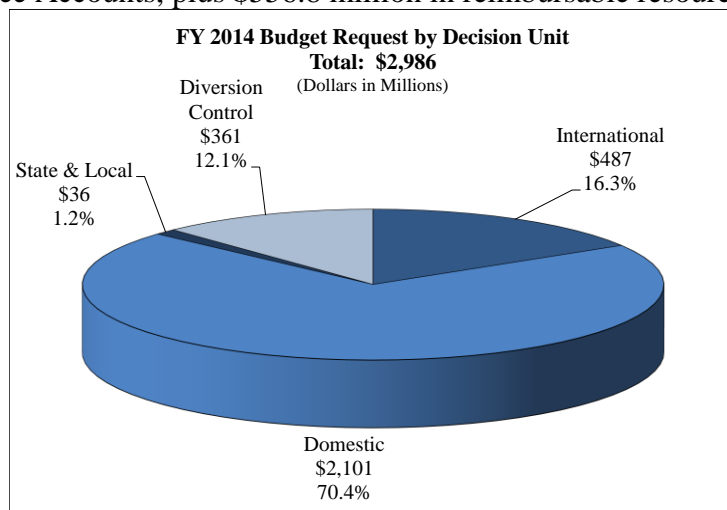
On October 21, 2011, DEA temporarily emergency scheduled mephedrone, methylone, and MDPV, which are found in “bath salt”-type products, under Schedule I of the CSA. This action was necessary to avoid an imminent hazard to the public safety. The FDASIA permanently

added two of the three synthetic cathinones to Schedule I (mephedrone and MDPV). Since methylone was not included in the FDASIA, its placement on Schedule I continues under the auspice of DEA’s administrative scheduling authority. Accordingly, the temporary scheduling of methylone will remain in effect until October 20, 2013, or until rulemaking proceedings are completed for permanent scheduling, whichever comes first. In addition, nine phenethylamines, which are part of the 2C series compounds, were also placed in Schedule I as part of FDASIA.

Full Program Costs

DEA’s budget integrates its own priorities together with DOJ’s Strategic Goals and Objectives to ensure that each performance objective is linked to the costs of critical strategic actions. This request supports DEA’s Strategic Plan, which divides DEA’s resources (including reimbursable funds) into four strategic focus areas to achieve the maximum enforcement impact across the full spectrum of drug trafficking activity. Per the guidance of Circular A-11 (August 2012), FY 2012 FTE represent the actual FTE usage during that fiscal year. FY 2013 and FY 2014 FTE estimates are consistent with FY 2012 actuals, FY 2013 first quarter actuals, and are fully funded within DEA’s requested funding levels.

The following chart reflects all DEA resources including the Salaries and Expenses and Diversion Control Fee Accounts, plus \$556.8 million in reimbursable resources:¹⁴



This request is designed to support DEA’s strategic focus areas. It also takes into account the current drug trafficking situation affecting the United States and identifies the drug trade’s characteristics and vulnerabilities at all levels, targeting each of them simultaneously. DEA’s resources are requested in support of DOJ Strategic Goal 1, Objective 1.1 and Strategic Goal 2, Objectives 2.1 and 2.3. Detailed justifications for the decision units are provided in Section II.

For FY 2014, approximately 70 percent of DEA’s budgetary resources are associated with Domestic Enforcement; 16 percent with International Enforcement; one percent with State and Local Assistance; and, 12 percent with the Diversion Control Fee Account. DEA’s budgetary

¹⁴ The main sources of DEA reimbursable funding are OCDETF, the Asset Forfeiture Fund (AFF), other DOJ accounts, and the Department of State.

resources also include \$556.8 million in reimbursable funds from other agencies. The two largest sources include \$230 million from the Interagency Crime and Drug Enforcement (ICDE) account to support OCDETF investigations and \$215 million from the Department's Asset Forfeiture Fund. DEA also receives funding from DOJ, DoD, DoS and other agencies. The activities and initiatives in each of DEA's programs play a crucial role in accomplishing DEA's overall strategy. Total costs include:

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

Some programs, as well as management and administration costs, cross decision units. Both performance and resource tables within each decision unit justification define the total costs of achieving the strategies DEA will continue in FY 2014. Additional details on resources and performance by decision unit are detailed in Section IV.

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

Environmental Accountability

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

Historically, DEA's mission has included a focus on environmental stewardship. Since 1990, the DEA Laboratory System has worked in concert with state and local law enforcement agencies to ensure the safe and environmentally conscious dismantlement of seized clandestine drug laboratories. In 2004, DEA initiated an EMS policy and began developing the agency's EMS structure for all facilities to use as a tool to incorporate environmental stewardship into daily business operations. As a result of Executive Order 13514, DEA incorporated sustainability and greenhouse gas emissions reductions into the DEA's environmental agenda. In FY 2012, DEA updated the structure of the EMS program, revising the EMS procedures into an EMS Handbook and designing improved document templates to streamline and standardize the program. DEA continued to support DOJ in meeting the OMB Sustainability/Energy Scorecard for Leadership in Environmental Energy and Economic Performance goals established by EO 13423 and 13514. Additionally, DEA participated in DOJ's Strategic Sustainability Performance Plan and DOJ's Climate Change Policy planning process. During the year, the DEA Greenhouse Gas Inventory Report and associated Inventory Management Plan were completed and submitted to DOJ.

In FY 2012, EMS programs were maintained at and integral to 29 DEA facilities across the country. These programs are being used to integrate environmental accountability and sustainability into the day-to-day decision making process regarding operational activities. There are active EMSs at all DEA laboratories and at a number of DEA divisions and offices. EMSs throughout DEA have realized successes through reduced energy usage, lowered electricity rates, reduced potential for hazardous spills, improved green purchasing, and comprehensive recycling programs. In addition, agency plans have been developed and work groups have been established to specifically address green purchasing, fleet management, toxic & hazardous materials reduction, and for incorporating sustainability principles in facility/construction projects.

DEA remains committed to improving the management of our nation's resources. Many facilities with EMS programs have joined and continued to participate in the Federal Electronics Challenge (FEC) to promote electronic stewardship. In FY 2012, eight DEA offices were awarded FEC awards, which were presented by the Office of the Federal Environmental Executive and the U.S. Environmental Protection Agency. FY 2012 also saw much advancement in energy efficiency and energy reduction. During FY 2012, DEA completed and submitted DEA's Energy Independence and Security Act (EISA) report and completed required EISA facility energy audits to support DOJ's energy conservation goals at two DEA-owned facilities. DEA also developed Hazardous Waste Standard Operating Procedures for all chemistry laboratories. Additionally, annual hazardous waste training was provided for DEA laboratory employees to ensure continued compliance with environmental laws and regulations at the facilities.

In FY 2012, DEA also continued to promote environmental stewardship and sustainability throughout the Agency by providing environmental awareness information during the entire year. DEA published a monthly "Green Note", maintained the DEA EMS website on Webster, and responded to numerous inquiries from DEA employees to increase environmental awareness and facilitate communications across DEA. DEA also conducts a week-long Earth Day awareness campaign and celebration in April, an Energy Awareness Month Campaign in October, and an America Recycles Day Event in November.

Performance Challenges

The challenges that impede progress towards achieving DEA's goals are complex and ever changing. Marketplace dynamics, global politics, technological developments, and criminal behavior are only a few factors that can impact law enforcement practices and pose challenges that demand attention. DEA faces the following potential obstacles to meeting its performance objectives in FY 2014:

- A significant challenge confronting U.S. law enforcement is the diminishing ability to conduct lawful electronic intercepts on current and emerging communications technologies as domestic and foreign communications providers continue to offer an increasing variety of sophisticated services and features to U.S. customers. Failure to adequately address this problem will cripple law enforcement's ability to conduct lawful interception of communications and associated transactional data needed to solve serious drug crime.

- One of the more challenging issues facing DEA is the availability of future funding for DEA's operations in Afghanistan. To support the U.S. Ambassador's Counternarcotics Strategy for Afghanistan, DEA increased its staffing from 13 to 82 permanent positions. Funding for this expansion was provided by the State Department and has evolved into an interagency effort. While DEA would like to continue this level of effort, it is contingent upon future needs and resources as the mission in Afghanistan transitions from military to civilian led.
- As DEA's law enforcement efforts improve, leaders of drug trafficking organizations are finding more sophisticated ways to insulate themselves from the criminal justice system. For example, they are using long and complex chains of delivery systems and state-of-the-art technology to keep their operations clandestine.
- The smuggling, money remittance, and communications infrastructures utilized by international drug and chemical trafficking organizations will continue to provide an operational model that can be readily exploited by terrorist organizations.
- Source and transshipment regions such as Afghanistan and the continent of Africa continue to affect the world, and albeit indirectly, the United States. Even if only a limited quantity of these drugs reach the U.S., the proceeds sustain drug trafficking and terrorist organizations, fuel the next round of drug production, and further corrupt and destabilize emerging economies and democracies.
- Corruption of foreign officials can stymie DEA's efforts to affect international enforcement. Developing nations also face an inordinate amount of problems (including indebtedness, insurgency, corruption, and underdevelopment) in conjunction with drug production and trafficking.
- The globalization of the social, technical, and economic environments of the United States and other nations creates new venues for drug production, transportation, diversion, and money laundering techniques.
- Recently, efforts to legalize marijuana have increased. Keeping marijuana illegal reduces its availability and lessens willingness to use it. Legalizing marijuana would increase accessibility and encourage promotion and acceptance of drug use.
- Changes in laws could affect the closed system of distribution and allow distribution of foreign-sourced controlled substances.
- Continued growth in the abuse of legitimate controlled substances could supplement illicit drugs. The increase in the abuse of prescription drugs is fueled by many factors, including the development and marketing of new pharmaceutical controlled substances, and ever-changing methods of diversion, such as rogue Internet pharmacy schemes or rogue pain clinics. Just as illicit drug traffickers and organizations adapt to law enforcement methods,

pharmaceutical traffickers adapt to and circumvent laws that attempt to stop the flow of controlled substance pharmaceuticals into the illicit market.

- While the FDASIA scheduled 26 different synthetic drugs, the U.S. still faces a significant threat from these and numerous other emergent substances. As of July 27, 2012, the National Forensic Laboratory Information System (NFLIS) shows U.S. law enforcement encountering at least 37 cannabinoids, 27 cathinones, and 65 “other” compounds.
- In FY 2011, the Attorney General established hiring caps which have made it difficult for DEA to manage its workforce. DEA must also be sure to enhance career development opportunities to ensure effective succession planning for DEA’s leadership, since 75 percent of DEA’s Senior Executives became retirement eligible at the end of FY 2012.

II. Summary of Program Changes

Item Name	Description	Pos.	FTE	Dollars (\$000)	Page
Hollow Position Reduction	Elimination of vacant positions considered “hollow positions.”	-514	0	0	93
Administrative Efficiencies	Administrative and operational savings and efficiencies	0	0	-\$9,880	95
Information Technology Savings	Department-wide collaboration on IT contracting	0	0	-\$2,038	97

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III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed \$70,000 to meet unforeseen emergencies of a confidential character pursuant to 28 U.S.C. 530C; and expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs, [\$2,050,904,000] \$2,067,952,000; of which not to exceed \$75,000,000 shall remain available until expended and not to exceed \$90,000 shall be available for official reception and representation expenses.

CANCELLATION

Of the unobligated balances from prior year appropriations available under this heading, [\$15,600,000] \$10,000,000 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Analysis of Appropriations Language

A full-year 2013 appropriation for DEA's accounts was not enacted at the time the budget was prepared; therefore, DEA's accounts are operating under a continuing resolution (P.L. 112-175). The amounts included for 2013 reflect the 2013 President's Budget.

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IV. Decision Unit Justification

A. International Enforcement

<i>International Enforcement</i>	Direct Pos.	Estimate FTE	Amount (\$000)
2012 Enacted	1,074	994	\$417,670
2013 Continuing Resolution	1,074	946	420,200
2013 Continuing Resolution 0.612% Increase	0	0	2,556
2013 Supplemental Appropriation- Sandy Hurricane Relief	0	0	0
Base and Technical Adjustments	0	0	13,312
2014 Current Services	1,074	946	433,512
2014 Program Increases	0	0	0
2014 Program Offsets	0	0	-2,789
2014 Request	1,074	946	430,723
Total Change 2012-2014	0	-48	\$13,053

1. Program Description

With the largest foreign presence of any federal law enforcement agency, DEA's role in a world of globalization is becoming increasingly important to representing U.S. interests. In order to fulfill its mission overseas, DEA personnel are strategically assigned in 86 offices in 67 foreign countries. DEA collaborates with host nation counterparts and federal law enforcement agencies in order to conduct complex bilateral investigations, host nation training, and intelligence sharing activities. DEA's foreign operations address the problem of U.S.-bound drugs in many ways, but share the common theme of supporting proactive and successful bilateral investigations in partnership with nations committed to combating a problem that undermines their societies. As a result, foreign law enforcement agencies welcome the expertise and enhanced capabilities of DEA.

Key organizational programs and activities funded by the International Enforcement decision unit include the following:

Priority Targeting Program

DEA personnel assigned to foreign offices focus their investigative efforts on DEA Priority Target Organizations (PTOs). A PTO is defined as a drug trafficking organization with an identified hierarchy engaged in the highest levels of drug trafficking and/or drug money laundering operations with a significant international, national, regional, or local impact upon drug availability. DEA focuses its resources on PTOs with and without a direct connection to the Department of Justice's (DOJ) Consolidated Priority Organization Targets (CPOTs). These CPOTs include the most significant international command and control organizations threatening the United States as identified by the Organized Crime Drug Enforcement Task Force

(OCDETF) member agencies. DEA's ultimate objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible and the source of the drug is completely eliminated. The disruption or dismantlement of CPOT-linked organizations is accomplished primarily via bilateral investigations with host nation counterparts as well as multi-agency coordination. These investigations emphasize developing intelligence-driven, multi-regional efforts to identify and target international PTOs, which play significant roles in the production, transportation, distribution, financing, or other support of large scale drug trafficking.

Drug Flow Attack Strategy (DFAS)

In order to disrupt the flow of drugs into the United States, DEA has developed the Drug Flow Attack Strategy (DFAS) and its enforcement arm, *Operation All Inclusive* (OAI). This strategy includes an integrated intelligence-enforcement process that rests on multiple pillars: intelligence-driven enforcement, sequential operations, and predictive intelligence. The primary objective of this strategy is to cause major disruption to the flow of drugs, money, and chemicals between the source zones and the U.S. The Southwest Border is an integral part of DFAS as that region is the primary arrival zone for most illicit drugs smuggled into the U.S.

This multi-agency effort identifies and attacks vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations. This strategy calls for aggressive, well-planned, and coordinated enforcement operations in cooperation with host-nation counterparts in global source and transit zones. In addition to collaboration with its foreign counterparts, significant international enforcement efforts require coordination with DEA's domestic offices. Overall, this strategy promotes the security of our nation and its borders. These operations act as a forward defense of the U.S. by interdicting the flow of illegal drugs and the traffickers who smuggle them before they reach Mexico or the Southwest Border. They target the command and control structures of foreign-based DTOs responsible for violence in Mexico's border areas where they extend across our frontiers and operate in the U.S.

Counternarcotics Initiatives in Afghanistan

DEA assists the Government of the Islamic Republic of Afghanistan (GIROA) in establishing the drug enforcement institutions and capabilities they need to enforce the rule of law. DEA personnel assigned to the DEA Kabul Country Office (CO) also work with their Afghan counterparts to disrupt and dismantle major drug trafficking organizations, which fuel the insurgency and profit from the narco-economy. Through training, mentoring and operational interaction, DEA also supports the National Interdiction Unit (NIU), the Sensitive Investigative Unit (SIU), and the Technical Investigative Unit (TIU) of the Counter Narcotics Police-Afghanistan (CNP-A).

DEA is also involved in the Afghan Threat Finance Cell (ATFC), a multi-agency organization established to identify, disrupt, and interdict the sources of funding for insurgent and terrorist organizations operating in Afghanistan. In addition to its special agents assigned to the ATFC, DEA's Office of Financial Operations and the Special Operations Division (SOD) augment ATFC investigations and initiatives by providing analytical support. Through the integrated

efforts of DEA offices throughout world, the ATFC is able to successfully disrupt and dismantle the financial infrastructure supporting narcotics trafficking and insurgent groups. By choking the flow of revenue from these organizations, DEA is able to better protect the nation from illicit drugs and the funding derived from their sales which fuels terror organizations.

Foreign-deployed Advisory Support Team (FAST) Program

DEA's FAST program supports the U.S. Government's foreign drug policy objectives and DEA's international enforcement mission by working to strengthen host nation counterparts' drug enforcement capabilities and expertise. FAST personnel deploy to Afghanistan as well as countries in the Western Hemisphere to provide investigative and intelligence support to host nation counterparts and the U.S. military. DEA FAST special agents are also trained and equipped to conduct personnel recovery for DEA personnel and their families residing abroad, should they become isolated or held hostage.

Afghan NIU law enforcement officers from the CNP-A receive on-the-job mentoring and law enforcement tactical and operational training from FAST special agents. Selected NIU officers are chosen by the DEA Kabul CO to partner with FAST during Afghan and International Allied Security Forces (ISAF)-approved and coordinated counter narcotics operations. Close partnerships with FAST personnel builds the NIU's operational experience and capacity to support CNP-A investigations. The DEA FAST program is designed to further DEA's counterterrorism objectives and operational goals by supporting the Kabul CO in bilateral investigations to identify, target, and dismantle drug trafficking organizations with ties to terrorist organizations in the region. FAST personnel, in conjunction with Kabul CO personnel and Afghan NIU officers, have successfully infiltrated terrorist cells, seized explosives and munitions, and as a result, have prevented attacks on U.S. and Coalition Forces.

In FY 2009, as a result of the past successes of the FAST program in Afghanistan and the unique capabilities of the teams, the program was officially expanded beyond Afghanistan. In support of DFAS, FAST personnel deploy to countries such as Haiti, the Dominican Republic, Honduras, Guatemala, and Panama in order to conduct operations in coordination with the DEA Tactical Helicopter Section and SOD. Specifically, FAST personnel conduct intelligence-driven bilateral enforcement operations targeting clandestine laboratories, compounds, drug and weapon caches, airstrips, vessels and vehicles.

International Training Program

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

DEA's International Training Section offers both in-country and regional training programs conducted by mobile training teams. In-country programs are seminars conducted in a host country and only include participants from that country. Regional training is designed to bring

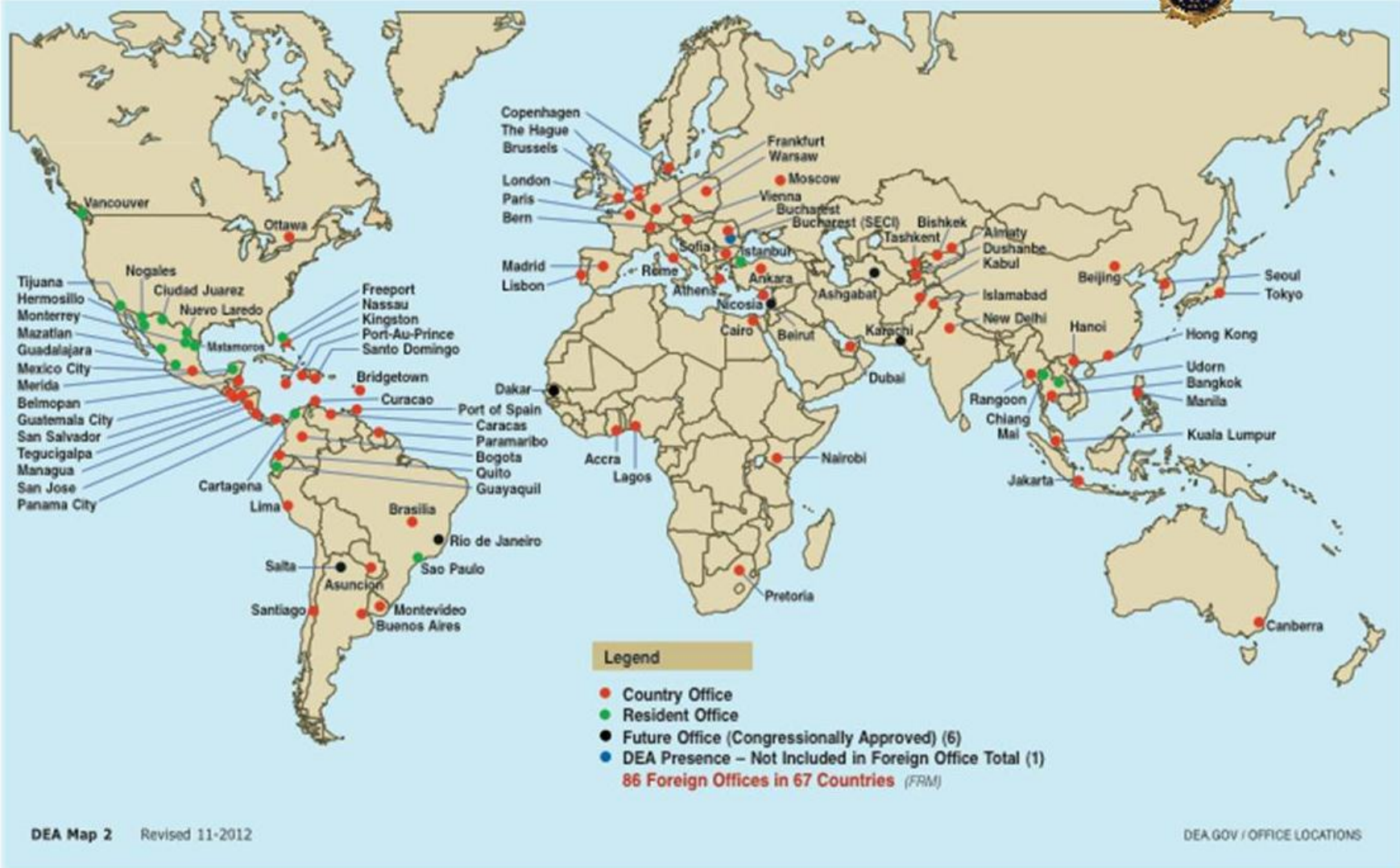
together a combination of participants from a number of countries sharing common drug trafficking issues. The specific courses offered by DEA's International Training Section are continually changing as new curricula are developed and instituted in response to experiences, changes in law enforcement emphasis, current international narcotics trafficking situations, new technologies, and specific requests from host nation governments.

Sensitive Investigative Units (SIUs)

DEA's SIU Program is the foundation for building an effective and trustworthy host nation unit capable of conducting complex investigations targeting major drug trafficking organizations. SIUs are groups of host nation investigators that are polygraphed, trained, equipped, and guided by DEA. The SIU program currently administers 12 SIUs, which are comprised of over 900 host-nation law enforcement officials. The program provides DEA with a controlled and focused investigative force multiplier that allows DEA access to a global transnational enforcement and intelligence network that directly supports DFAS. Also, as a result of these mentorship activities, the SIUs are better equipped to integrate host nation prosecutors into their units to ensure that intelligence leading to criminal investigations also leads to effective prosecutions.

DEA Foreign Offices

U.S. Department of Justice
Drug Enforcement Administration



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2. Performance and Resources Tables

PERFORMANCE AND RESOURCES TABLE												
Decision Unit: International Enforcement												
DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law												
Strategic Objective 1.1: Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur												
RESOURCES	Target		Actual		Projected		Changes		Requested (Total)			
	FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request			
Active Foreign PTOs Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia Regions	††		7		††		-		††			
Active Foreign PTOs Not Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia Regions	††		53		††		-		††			
Total Costs and FTE¹ (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		
	198	\$67,896 [\$30,960]	198	\$67,896 [\$30,960]	195	\$65,260 [\$47,820]	0	\$446 [\$0]	195	\$65,706 [\$47,820]		
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE		FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request	
Program Activity	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
International Operations	198	\$67,896 [\$30,960]	198	\$67,896 [\$30,960]	195	\$65,260 [\$47,820]	0	\$446 [\$0]	195	\$65,706 [\$47,820]		
Performance Measure: Output	Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions		††		3/1		††		-		††	
Performance Measure: Output	Foreign PTOs Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions		††		29/1		††		-		††	
<p>†† DEA does not target its performance in the Middle East, Central Asia and Southwest Asia. This area of the world poses significant operational risks and challenges to DEA personnel, which makes it difficult to conduct enforcement operations on a consistent basis. DEA cannot unilaterally investigate and arrest high-level drug traffickers in the foreign arena so DEA's success is contingent upon host nation law enforcement cooperation to include intelligence sharing and participation. Also, specific countries located in these regions currently lack self-sustaining counternarcotics police institutions and effective criminal justice systems to adequately address counter drug efforts. Therefore, it is extremely challenging for DEA to project anticipated performance.</p> <p>¹ The FY 2013 President's Budget estimate of 1,287 reimbursable FTE did not include 69 Afghanistan positions that will be funded through a reimbursable agreement with the State Department. In FY 2012, the 69 positions were funded through both a transfer and a reimbursable agreement.</p>												

PERFORMANCE AND RESOURCES TABLE con't

Decision Unit: International Enforcement

DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law

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

RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request	
Active PTOs Linked to CPOT Targets ¹		120		122		120		-		120	
Active PTOs Not Linked to CPOT Targets ¹		320		302		320		-		320	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		856	\$349,774 [\$8,935]	856	\$349,774 [\$8,935]	810	\$354,940 [\$8,972]	(1)	\$10,077 [-\$270]	809	\$365,017 [\$8,702]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request	
		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	International Operations	856	\$349,774 [\$8,935]	856	\$349,774 [\$8,935]	810	\$354,940 [\$8,972]	(1)	\$10,077 [-\$270]	809	\$365,017 [\$8,702]
Performance Measure: Output	PTOs Linked to CPOT Targets Disrupted or Dismantled ²	40/20		54/15		40/20		-		40/20	
Performance Measure: Output	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ²	110/60		157/63		110/60		-		110/60	
Performance Measure: Output	Number of International Students Trained ³	2,300		3,031		2,838		-		2,838	
Performance Measure: Outcome	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁴	\$2.85 Billion		\$2.80 Billion		\$2.80 Billion		-		\$2.80 Billion	

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

² FY 2012 and 2013 targets for PTOs Linked and Not Linked to CPOT Targets have been adjusted since DEA's FY 2012 budget submission to better reflect DEA's utilization of foreign resources and enforcement activities which will have a direct impact on DEA's performance in the foreign arena. Note: PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).

³ Targets for FY 2013 and FY 2014 are comprised of the projected number of International Students Trained (2,300) by DEA's International Training Section (TRI) and the Afghan National Interdiction Unit (NIU) members trained (538). The authorized ceiling of the Afghan NIU was recently increased to 538 which is reflected in the FY 2013 projection.

⁴ Agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).

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

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

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

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

PERFORMANCE MEASURE TABLE										
Decision Unit: International Enforcement		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012		FY 2013	FY 2014
Performance Report and Performance Plan Targets		Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	0/1	0/2	5/1	1/0	0/0	††	3/1	††	††
Performance Measure	Foreign PTOs Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	1/2	2/4	4/2	6/3	20/3	††	29/1	††	††
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled	22/9	39/20	38/21	53/21	35/17	40/20	54/15	40/20	40/20
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	59/27	103/54	118/53	121/47	99/73	110/60	157/63	110/60	110/60
Performance Measure	Number of International Students Trained ¹	2,575	2,453	4,506	5,252	2,769	2,300	3,031	2,838	2,838
OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied)	N/A	N/A	\$3.4 Billion	\$3.0 Billion	\$2.88 Billion	\$2.85 Billion	\$2.80 Billion	\$2.80 Billion	\$2.80 Billion

†† DEA does not target its performance in the Middle East, Central Asia and Southwest Asia. This area of the world poses significant operational risks and challenges to DEA personnel, which makes it difficult to conduct enforcement operations on a consistent basis. DEA cannot unilaterally investigate and arrest high-level drug traffickers in the foreign arena so DEA's success is contingent upon host nation law enforcement cooperation to include intelligence sharing and participation. Also, specific countries located in these regions currently lack self-sustaining counternarcotics police institutions and effective criminal justice systems to adequately address counter drug efforts. Therefore, it is extremely challenging for DEA to project anticipated performance.

¹ The FY 2013 and 2014 targets include the projected number of International Students Trained (2,300) by DEA's International Training Section (TRI) and Afghan National Interdiction Unit (NIU) members trained (538). The authorized ceiling of the Afghan NIU was recently increased to 538 which is reflected in the FY 2013 projection.

3. Performance, Resources, and Strategies

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

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

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

a. Performance Plan and Report for Outcomes

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

DEA’s Counterterrorism Efforts

Output Performance Measures:

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

The connection that exists between terrorism and drug trafficking necessitates that DEA engage in proactive enforcement and intelligence gathering operations with its host nation law enforcement counterparts. This is accomplished by targeting PTOs operating in the Middle East, Central Asia, and Southwest Asia. DEA recognizes that a strong collaborative partnership with international partners is an essential element of a comprehensive drug control strategy and is critical to significantly reducing transnational crime, including narco-terrorism. In FY 2012, DEA disrupted three and dismantled one foreign PTO Linked to CPOTs in the Middle East, Central Asia, and Southwest Asia. In addition, DEA disrupted 29 and dismantled one foreign PTO Not Linked to CPOTs in this region of the world.

Since DEA began reporting measures associated with international counterterrorism activities in extremely hostile areas of the world, performance targets have not been established. Therefore, DEA did not establish targets for FY 2012 through FY 2014 for disrupting and dismantling foreign PTOs linked and not linked to CPOTs in the Middle East, Central Asia, and Southwest Asia. This area of the world poses significant operational risks and challenges to DEA personnel, which makes it difficult to conduct enforcement operations on a consistent basis. DEA cannot unilaterally investigate and arrest high-level drug traffickers in the foreign arena, making success contingent upon host nation law enforcement cooperation to include intelligence sharing and participation and the support of U.S. foreign assistance programs. Also, some

countries, like Afghanistan, currently lack self-sustaining counternarcotics police institutions and effective criminal justice systems to adequately address counter drug efforts. All of the abovementioned factors make it extremely challenging to project anticipated performance.

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

Priority Targeting Program

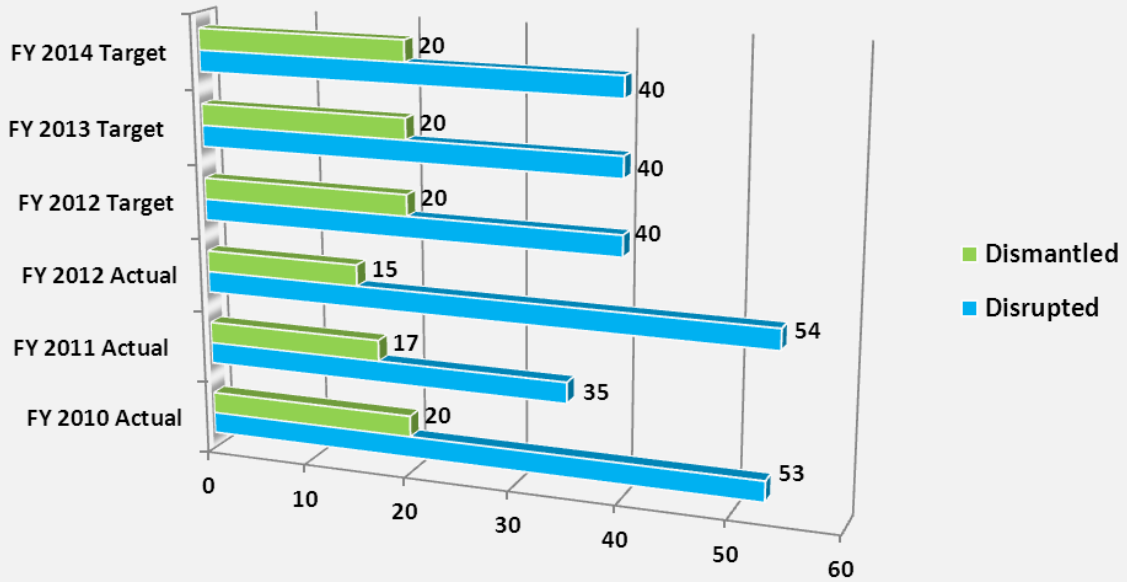
Output Performance Measures:

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

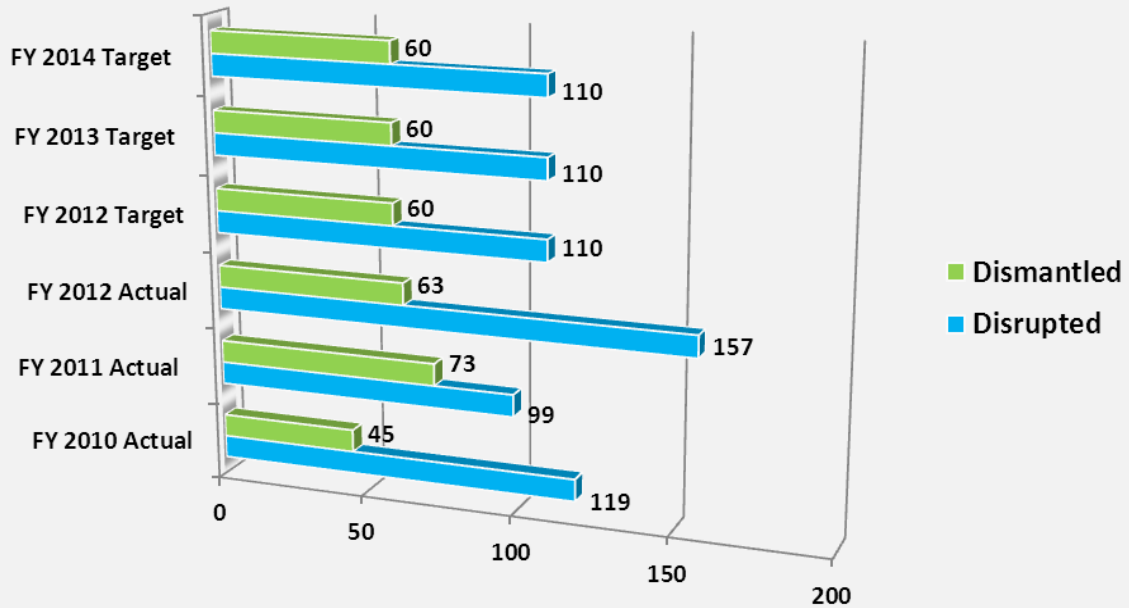
In FY 2012, DEA disrupted 54 and dismantled 15 PTOs Linked to CPOTs. DEA also disrupted 157 and dismantled 63 PTOs Not Linked to CPOTs. DEA exceeded its FY 2012 targets for PTOs Not Linked to CPOTs and PTOs Linked to CPOTs Disrupted, as well as its target for PTOs Not Linked to CPOTs Dismantled. However, DEA did not meet its target of 20 for PTOs Linked to CPOTs Dismantled by 25 percent. As a result of numerous external variables that DEA's workforce is faced with in the foreign arena, it is difficult to predict or comprehensively assess actual versus targeted performance. These external challenges appear to consistently lead to fluctuations in DEA's overall performance despite DEA's efforts to reallocate resources to foreign regions where they are needed most. In spite of these external challenges, DEA will continue to work to achieve all PTO targets established for FY 2013 and FY 2014.

The current emerging drug trafficking trends necessitate a focused approach. DEA is responding globally and strategically while striving to ensure that resources are deployed to the highest priority overseas locations to maximize DEA's impact on the global narcotics trade. DEA will continue to coordinate PTO investigations with its foreign and domestic counterparts in order to exceed the targets established for FY 2013 and FY 2014. DEA will also work to sustain and strengthen partnerships with its foreign counterparts to attack the vulnerabilities of major international drug and listed chemical trafficking organizations, including those that fund terrorism. DEA's foreign PTO performance targets for FY 2013 and FY 2014 reflect DEA's current utilization of foreign resources and enforcement activities, which have a direct impact on DEA's performance in the foreign arena.

Foreign PTOs Linked to CPOTs



Foreign PTOs Not Linked to CPOTs



International Training

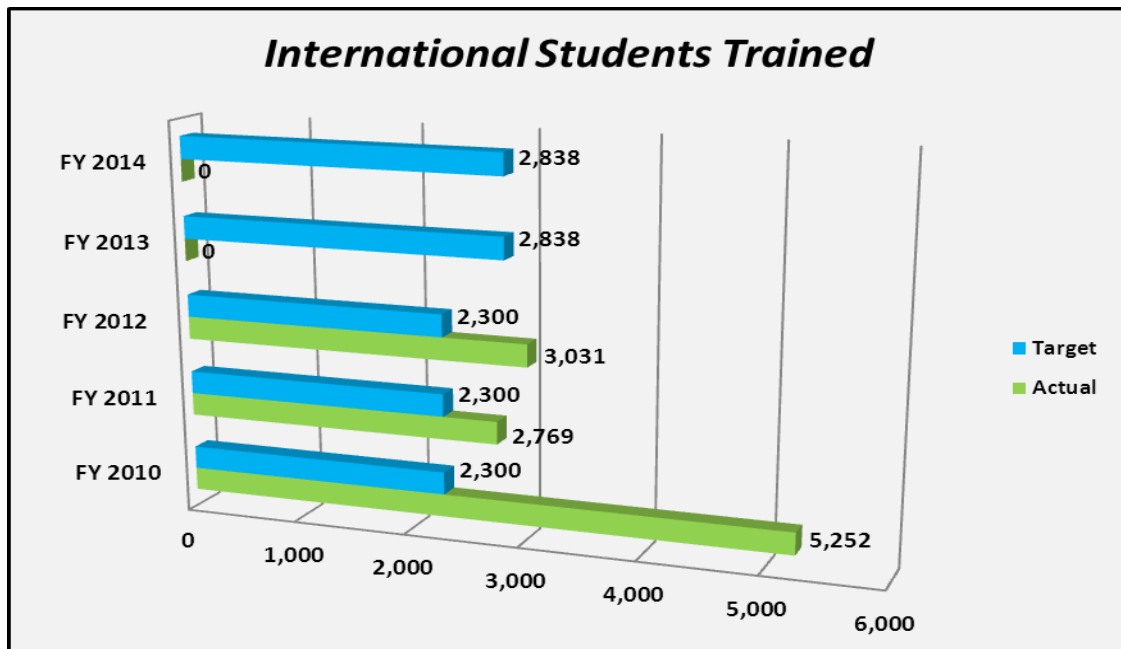
Output Performance Measure:

- *Number of International Students Trained*

The effectiveness of DEA's international enforcement efforts is also measured by the number of DEA-sponsored international training courses conducted and participants trained. DEA's international training efforts are also prevalent and influential in Afghanistan through the DEA FAST program.

During FY 2012, DEA trained a total of 3,031 foreign law enforcement participants. This number is comprised of 2,511 participants trained by DEA's International Training Section and 520 law enforcement officers from the Afghan NIU who received tactical and operational training provided by DEA FAST special agents in Afghanistan. In FY 2014, DEA FAST anticipates providing on the job mentoring and law enforcement tactical and operational training for NIU members on a rotational basis and through partnership in field operations. DEA will continue to focus and maximize its Afghanistan resources in FY 2014 and to train, mentor and build the capacity of the Afghan counter narcotics police, while supporting and developing the NIU so that this unit will become highly effective and independent.

DEA exceeded its FY 2012 target of 2,300 by 32 percent and anticipates meeting or exceeding its FY 2013 and 2014 target of 2,838 international students trained by DEA's International Training Section and DEA FAST special agents. DEA established targets for FY 2013 and 2014 based on the amount of anticipated funding received from Department of State's Bureau for International Narcotics and Law Enforcement Affairs (INL) and DoD to conduct seminars as well as the projected number of Afghan NIU officers that will receive training from FAST.

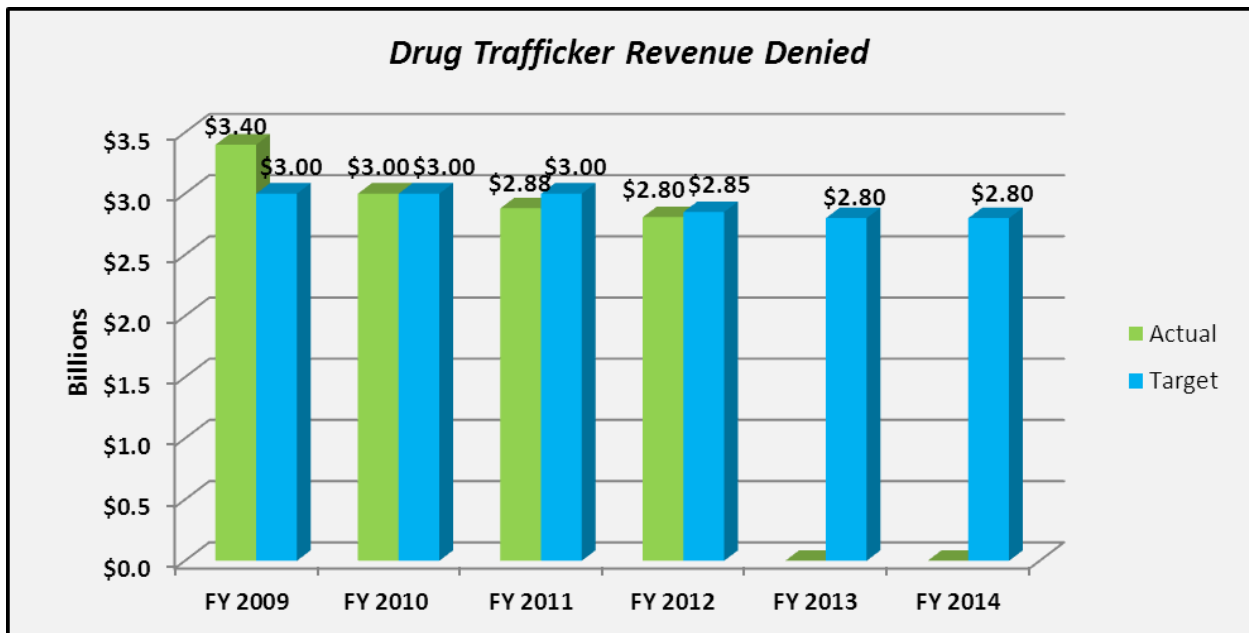


Drug Trafficker Revenue Denied

Outcome Performance Measure:

- *Monetary Value of Currency, Property, and Drugs Seized (Drug Trafficker Revenue Denied)*

DEA is not only making it more difficult for traffickers to operate by taking their money away, but is following the money trail back to the command and control of the most significant drug trafficking organizations impacting the United States. On a daily basis, DEA denies revenue to drug trafficking organizations through money and property seized, as well as the value of seized drugs, which is the amount of funds invested in the drugs by the owner computed at conservative production cost levels. DEA's current objective is to maximize Drug Trafficker Revenue Denied to meet the challenge of crippling drug cartels so that they are unable to reconstitute their operations with new leadership. Therefore, Drug Trafficker Revenue Denied reflects the outcome of activities scored to DEA's International, Domestic, and State and Local Decision Units. In FY 2012, DEA was responsible for denying \$2.8 billion in drug trafficking revenue, which was just shy of its FY 2012 target of \$2.85 billion. However, DEA will meet or exceed established targets for FY 2013 and FY 2014.



b. Strategies to Accomplish Outcomes

In FY 2014, DEA will pursue the following strategic objectives associated with DEA's International Enforcement efforts:

Continue DEA's leadership role in international drug and chemical enforcement programs.

Under the guidance of the Secretary of State and U.S. Ambassadors, DEA is the U.S. government's single point of contact for coordinating international drug and chemical investigations. In FY 2014, DEA will continue to provide interagency leadership in the effort to disrupt or dismantle drug trafficking organizations via DEA's PTO Program and operational elements of the DFAS. DEA personnel assigned to DEA foreign offices worldwide will continue to conduct bilateral investigations with foreign counterparts in countries that have demonstrated the commitment to aggressively combat drug trafficking organizations. DEA will also continue its close partnership with the United Nations, Interpol, and other organizations on matters relating to international drug and chemical control programs. Finally, DEA will facilitate several conferences, including the International Drug Enforcement Conference (IDEC), which brings senior level international law enforcement officers together to develop coordinated actions against international drug traffickers and terrorist organizations.

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

DEA has made significant strides in achieving its objectives for Afghanistan and continues to carry out its strategic objectives, albeit confronted by the significant obstacles of a fledgling democracy with low capacity, endemic corruption, and a state of war. In the near future, DoD and many civilian agencies will make significant reductions to their staffing levels in Afghanistan since their presence served a temporary purpose. The military draw down in Afghanistan will significantly impact DEA operations in primary areas. First, the military provides significant airlift capabilities to DEA, which will be unavailable or severely limited after the drawdown. Second, DEA relies heavily on the U.S. military for force protection, close air support, and in extremis support during the execution of counternarcotics operations. Without U.S. military assistance, the vast majority of counternarcotics field operations, particularly in uncontrolled areas throughout Helmand and Kandahar, would be far too risky.

DEA will adjust its presence in Afghanistan as the mission there transitions from military to civilian-led. DEA's role and mission in Afghanistan is contingent upon future USG-coordinated determinations of need and resources. As presently envisioned, FAST personnel will continue to provide guidance, training, and mentorship to the Afghan NIU so that they will become a self-sustaining narcotics police institution capable of identifying and disrupting heroin trafficking organizations linked to terrorists in Afghanistan. Through training, mentoring and operational interaction, DEA will also continue to support the SIU and the TIU of the CNP-A. These specialized units have developed to the point where they are independently operationally capable as a result of DEA's efforts. Lastly, DEA will continue to support the ATFC to identify, disrupt, and interdict the sources of funding for insurgent terrorist organizations operating in Afghanistan.

Throughout the world, DEA will concentrate DEA's investigative efforts on major international drug and chemical trafficking organizations and their affiliates. By executing DFAS, DEA will

disrupt the flow of drugs, money, and listed chemicals between the source, transit zones, and the United States. DEA will also continue to develop and utilize strategies to track and seize illicit shipments of listed chemicals thereby reducing the diversion of these chemicals or the drugs produced by these chemicals from reaching the U.S. Furthermore, DEA will fully utilize SOD to conduct multi-national, multi-agency coordinated investigations addressing major drug trafficking organizations operating at the international level. Finally, DEA will promote collective targeting between foreign countries to target traffickers operating in multiple countries.

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

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

In addition to meeting with foreign counterparts on legislative issues, DEA also plays a significant role by providing investigative equipment and training. An important contribution to this end is the establishment of SIUs in selected countries. The SIU program seeks to create focused and well-trained drug investigative and intelligence units of high moral character and integrity in selected nations. Investigations are ongoing, and cases, particularly those involving sensitive and high-level targets, are being developed by these units. DEA will continue to work through host nation SIUs to target the most significant drug trafficking organizations impacting the United States.

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

DEA coordinates intelligence worldwide that assists in disrupting or dismantling international drug trafficking organizations. This includes the coordination of intelligence on the cultivation and manufacture of illicit substances, the sale of precursor chemicals for illegal drug production, and the transportation routes of these drugs into the United States. DEA's foreign offices share intelligence they have collected with relevant federal agencies to augment both foreign and domestic investigations. DEA also provides intelligence to assist the interagency community in determining future trends in drug trafficking and evaluating these trends to determine their long-term impact on drug trafficking. DEA's personnel abroad work closely with their domestic counterparts to investigate leads and dismantle international drug trafficking organizations that target American citizens. Therefore, the collection, analysis, and dissemination of strategic, investigative and real-time intelligence are critical for DEA to identify international drug syndicates.

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B. Domestic Enforcement

<i>Domestic Enforcement</i>	Direct Pos.	Estimate FTE	Amount (\$000)
2012 Enacted	7,199	5,954	\$1,601,690
2013 Continuing Resolution	7,199	6,001	1,611,519
2013 Continuing Resolution 0.612% Increase	0	0	9,803
2013 Supplemental Appropriation- Sandy Hurricane Relief	0	0	1,000
Base and Technical Adjustments	57	0	29,174
2014 Current Services	7,256	6,001	1,640,693
2014 Program Increases	0	0	0
2014 Program Offsets*	-514	0	-9,125
2014 Request	6,742	6,001	1,631,568
Total Change 2012-2014	-457	47	\$29,878

*DEA's FY 2014 position allocation by decision unit is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

1. Program Description

The Domestic Enforcement Decision Unit comprises the majority of DEA's investigative and support resources inclusive of: Headquarters and its ancillary components, 21 Field Divisions, 37 District Offices, 117 Resident Offices, and 51 Posts of Duties. These resources, in conjunction with DEA's foreign offices, create a seamless intelligence and investigative web to pursue drug trafficking organizations, from multi-national and poly-drug conglomerates, to independent, specialty one-function cells.

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

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

Priority Targeting Program

This program was implemented in April 2001 to identify, target, investigate, and disrupt or dismantle those international, national, regional, and local impact drug trafficking and/or money laundering organizations having a significant impact on drug availability within the United States. DEA domestic field divisions, under the supervision of Special Agents in Charge (SACs), identify and target major drug threats within their areas of responsibility, also known as Priority Targets. Specifically, DEA domestic field divisions focus their investigative efforts on Priority Targets with a direct connection to the Department of Justice's (DOJ) Consolidated Priority Organization Targets (CPOT), which include the most significant international command and control organizations threatening the United States as identified by the Organized Crime Drug Enforcement Task Force (OCDETF) member agencies.

The efforts to disrupt or dismantle Priority Targets linked to CPOTs are intelligence-driven and they are accomplished primarily via multi-agency and multi-regional investigations. The goal is to dismantle these organizations so that reestablishment of the same criminal organization is impossible. As these organizations are identified, disrupted, or dismantled, the investigative intelligence developed is utilized to identify and target all organizational elements on the drug trafficking continuum.

State and Local Task Force Program

DEA task forces are used as a force multiplier in carrying out DEA's mission through coordination and cooperation with Federal, state, and local law enforcement agencies in the United States. They act as an extension of DEA's traditional enforcement groups, targeting significant, high level drug trafficking organizations as their main focus. Many drug trafficking organizations are inherently violent, but this associated violence or involvement in gang activity is not the primary or motivating factor in establishing the targets of DEA's investigations. Violent crime task forces associated with the Federal Bureau of Investigation (FBI) and the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) target individuals and organizations involved in a broad spectrum of criminal activity, most of which DEA and its task forces play no part in targeting or investigating.

State and local Task Force Officers (TFOs) are primarily assigned to task force groups within DEA's Domestic Field Divisions. DEA SACs and DEA Headquarters continuously monitor the task forces to ensure they remain efficient and effective. As of September 30, 2012, DEA led 195 state and local task forces. Moreover, these task forces consisted of an on-board strength of 1,764 DEA Special Agents and 2,158 TFOs, all of whom are deputized with Title 21 authority and dedicated full time to addressing the drug trafficking issues in their local communities.

DEA TFOs provide local expertise that cannot be matched at the federal level. This expertise includes, but is not limited to: (1) Geographical familiarity with respect to specific areas, businesses, or persons involved in trafficking activities; (2) Enhanced intelligence regarding local or regional drug trafficking organization hierarchical structures, co-conspirators, and their corporate or transactional behaviors; and (3) Access to relationships with local residents

cultivated and fostered through liaison with community and religious leaders, as well as various health, public, and private service agencies therein. In addition, TFOs are well versed and practiced in the local judicial systems or smaller venues, and their support has been critical and timely with respect to serving warrants and assisting with the identification and seizure of assets that may not have been identified solely by DEA.

The partnership with state and local personnel also allows DEA access to additional resources. TFOs allow for: (1) Close alliances with state and local agencies; (2) Provide for the use of platforms for surveillance assets (pole cameras and, in many locations, radio systems and frequencies); (3) Access to city facilities and equipment as well as events, meetings, and conferences with a criminal justice agenda; and (4) Access to local and state intelligence databases to include drug databases, gang information, and local identifiers of significant drug trafficking areas.

Special Operations Division (SOD)

SOD supports domestic enforcement by providing vital information for investigative and enforcement activities directed against major national or international trafficking organizations. Specifically, SOD manages special operations and projects within DEA that target trafficker command and control communications. SOD provides guidance and technical assistance to all divisions that have domestic Title III operations involving drug trafficking. Additionally, SOD manages and develops programs and procedures which ensure discrete and timely distribution of sensitive and vital intelligence data to an ever increasing and evolving number of international, Federal, state and local partners in the law enforcement and intelligence communities. In FY 2012, 26 agencies participated at SOD, including the FBI, the Bureau of Immigration and Customs Enforcement (ICE), the Internal Revenue Service (IRS), the Office of Naval Intelligence (ONI), the New York Police Department (NYPD), the Royal Canadian Mounted Police (RMCP), and Great Britain's Serious Organized Crime Agency (SOCA). SOD also coordinates international conspiracy investigations for the importation of narcotics to ensure that these cases result in suitable evidence presentation in court. The staff at SOD specializes in areas such as electronic surveillance and international criminal conspiracy laws, while responding to specialized linguistic needs for international cases.

Intelligence Program

DEA's intelligence program is comprised of several components that are responsible for collecting, analyzing, and disseminating drug-related domestic intelligence. This intelligence facilitates DEA seizures and arrests, strengthens investigations and prosecutions of major drug trafficking organizations, and provides policy makers with drug trend information upon which tactical and strategic decisions are based.

El Paso Intelligence Center (EPIC)

DEA's intelligence program supports EPIC, a multi-agency facility that serves as a clearinghouse for tactical intelligence and a central point for the collection, analysis, and dissemination of information related to worldwide drug movement and alien smuggling. EPIC

houses employees from 26 agencies, including representatives from Mexico and Colombia. EPIC also has information sharing agreements with police agencies in all 50 states. Through its 24-hour Watch function, EPIC provides immediate access to participating agencies' databases to law enforcement at all levels of government, throughout the United States, and with some foreign nations.

National Drug Intelligence Center (NDIC)

As directed by the Consolidated and Further Continuing Appropriations Act, 2012 (P.L. 112-55), DOJ initiated the realignment of functions and closure of the National Drug Intelligence Center (NDIC) in Johnstown, PA. Core NDIC functions have been reassigned to DEA's intelligence program. The Department authorized 57 new positions and \$8,026,000 in associated resources for DEA to continue Document and Media Exploitation (DOMEX) and high-priority strategic intelligence reporting. The 57 positions include 43 GS-132 Intelligence Research Specialists (IRs) and 8 GS-2210 Computer Specialists supporting the DOMEX mission; an additional 6 IRs will support high-priority strategic intelligence reporting.

To continue the DOMEX mission, DEA established a Document and Media Exploitation Section (NSE) within its Intelligence Division, under the Office of Special Intelligence. This section, located in Merrifield, VA, consists of three DOMEX teams and a small IT support group. The DOMEX field teams supporting the OCDETF Strike Forces in Atlanta, Houston, El Paso, Phoenix, and San Diego, as well as an element located at the Utah National Guard, will remain in place, but will report directly to NSE. An electronic media exploitation unit to support the DOMEX function has also been added to the Operational Support Division/Office of Forensics Sciences/Laboratory Operations Section in Lorton, VA. This unit will directly support the DOMEX missions.

The priority strategic intelligence functions previously performed by NDIC are now the responsibility of the Intelligence Division. The Domestic Strategic Intelligence Unit (NWWD) has been established within the Indications & Warning Section to perform this function. NWWD's mission is to research, analyze, and produce balanced strategic analyses for policymakers, law enforcement authorities, and healthcare professionals.

DEA's Intelligence Division priorities will provide the National Drug Threat Assessment; a national illicit drug price report, which is also of broad interest and is the topic which DEA received the most inquiries; and a domestic cannabis cultivation assessment that satisfies a significant intelligence gap. Based on discussions with the High Intensity Drug Trafficking Area (HIDTA) Directors, each HIDTA will assume responsibility for production of the 34 HIDTA Drug Market Analyses, with assistance from DEA field offices.

The Intelligence Division is currently working with strategic intelligence partners, customers, and consumers to develop a hierarchy of reporting priorities beyond the above mentioned products. DEA's field intelligence components, inclusive of EPIC, will provide assistance to meet the strategic reporting requirement through data collection and reporting.

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

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

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2. Performance and Resources Tables

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Domestic Enforcement											
DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law											
Strategic Objective 1.1: Prevent, Disrupt, and Defeat Terrorist Operations Before They Occur											
RESOURCES	Target		Actual		Projected		Changes		Requested (Total)		
	FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request		
Number of Incoming Requests for Information (RFI) from the Intelligence Community (IC)	400		518		600		50		650		
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	
	99	\$17,972 [\$191]	99	\$17,972 [\$191]	99	\$17,972 [\$191]	0	\$501 [\$0]	99	\$18,473 [\$191]	
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE		FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request
Program Activity	National Security Intelligence	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		99	\$17,972 [\$191]	99	\$17,972 [\$191]	99	\$17,972 [\$191]	0	\$501 [\$0]	99	\$18,473 [\$191]
Performance Measure: Output	Percentage of IC RFIs provided by requested deadline		100%		77%		100%		-		100%

PERFORMANCE AND RESOURCES TABLE con't

Decision Unit: Domestic Enforcement										
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Laws										
Strategic Objective 2.1: Combat the Threat, Incidence, and Prevalence of Violent Crime										
Strategic Objective 2.3: Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs										
RESOURCES	Target		Actual		Projected		Changes		Requested (Total)	
	FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request	
Active PTOs Linked to CPOT Targets ^{1,3}	540		595		540		-		540	
Active PTOs Not Linked to CPOT Targets ^{1,3}	2,100		2,381		2,060		-		2,060	
Total Costs and FTE² (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
	7,148	\$1,583,718 [\$463,495]	7,148	\$1,583,718 [\$463,495]	7,194	\$1,593,547 [\$473,977]	(27)	\$19,548 [-\$4,642]	7,167	\$1,613,095 [\$469,335]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE		FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes	
Program Activity	Domestic Enforcement		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	7,148	\$1,583,718 [\$463,495]	7,148	\$1,583,718 [\$463,495]	7,194	\$1,593,547 [\$473,977]	(27)	\$19,548 [-\$4,642]	7,167	\$1,613,095 [\$469,335]
Performance Measure: Output	PTOs Linked to CPOT Targets Disrupted or Dismantled ^{3,4}		270/110		324/126		270/110		-	
Performance Measure: Output	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ^{3,4}		1,300/580		1,343/663		1,280/570		-	
Performance Measure: Output	# of Federal, State, and Local Law Enforcement Officers Trained ⁵		45,000		49,118		45,000		-	
Performance Measure: Outcome	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁶		††		††		††		-	

†† See the International Enforcement Performance and Resources Table for related performance data.

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

² DEA's FY 2014 position allocation by decision unit is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

³ PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).

⁴ This performance measure does not include PTOs associated with DEA's Diversion Control Program.

⁵ This performance activity and performance measure does not include State and Local Clandestine Laboratory Enforcement training.

⁶ This is an agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).

Priority Targeting Program

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

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

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

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

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

State and Local Training

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

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

PERFORMANCE MEASURE TABLE

Decision Unit: Domestic Enforcement

Performance Report and Performance Plan Targets		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012		FY 2013	FY 2014
		Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Percentage of IC RFIs Provided by Requested Deadline	N/A	N/A	90%	85%	75%	100%	77%	100%	100%
Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled ^{1,2}	102/61	211/64	196/100	275/150	326/151	270/110	324/126	270/110	270/110
Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ^{1,2}	751/400	1,109/487	1,009/591	1,054/690	1,295/665	1,300/580	1,343/663	1,280/570	1,280/570
Performance Measure	# of Federal, State, and Local Law Enforcement Officers Trained ³	41,252	46,982	55,371	56,921	51,193	45,000	49,118	45,000	45,000
OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁴	N/A	N/A	††	††	††	††	††	††	††

†† See the International Enforcement Performance and Resources Table for related performance data.

¹ PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).

² This does not include PTOs associated with DEA's Diversion Control Program.

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

⁴ Agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).

3. Performance, Resources, and Strategies

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

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

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

a. Performance Plan and Report for Outcomes

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

DEA’s Counterterrorism Efforts

Output Performance Measure:

- *Percentage of IC RFIs provided by requested deadline*

Currently, DEA has one performance measure related to its counterterrorism activities reflected under DOJ’s Strategic Goal 1 on the Domestic Enforcement Performance and Resources Table. DEA performance is based on the number of RFIs generated by external agencies, as well as the secure dissemination of NN products to those agencies and their IC counterparts. The ability to forecast on-time rates of completion for NN products per annum or by quarter is extremely difficult. Nevertheless, with a goal of 100 percent compliance in FY 2012, DEA reported that 77 percent of IC RFIs were provided by the requested deadline. DEA uses an internal tracking system to monitor the status of RFIs and as such, DEA has implemented analytical software to evaluate and address the increase in the number of requests received. Because of their complex nature, NN was unable to adequately address all of the requests in the time allotted by the requestors. The temporal 23 percent decline from target (100 percent on- time performance) observed, simply reflects an aggressive effort on the part of NN to increase the number of IC requests accepted. Nevertheless, with its continued focus on timely responses and an increase in on-board staffing, DEA anticipates that it will meet its annual target of 100 percent in FY 2013 and FY 2014.

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

Priority Targeting Program

Output Performance Measure:

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

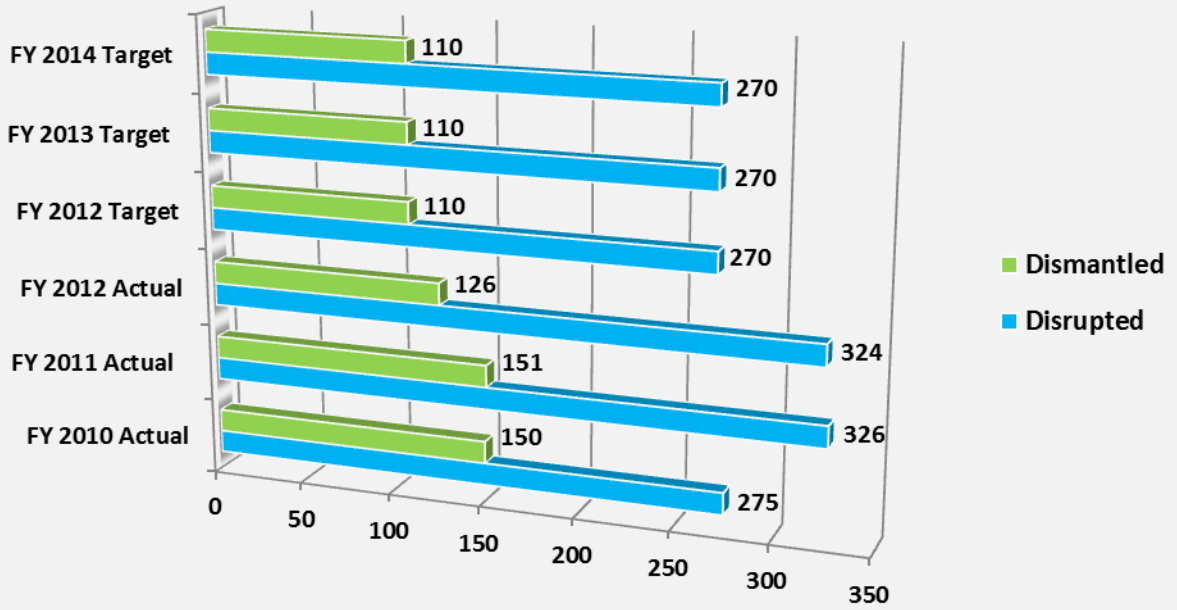
Due to the separate reporting of Diversion Control Program (DCP) Priority Targets beginning in FY 2011, DEA adjusted the Domestic Enforcement PTO targets in its FY 2012 Congressional Budget Submission. Since that time, DEA has further refined its methodology for identifying DCP PTOs. As a result, FY 2013 and FY 2014 targets have been adjusted.

DEA's first drug-related performance measure under DOJ's Strategic Goal 2 on the Domestic Enforcement Performance and Resources Tables relates to the disruption or dismantlement of Priority Targets linked to CPOT targets. In FY 2012, DEA disrupted 324 and dismantled 126 PTOs linked to CPOT targets. This represents approximately 120 percent and 115 percent to target for each of the aforementioned dispositions, respectively.

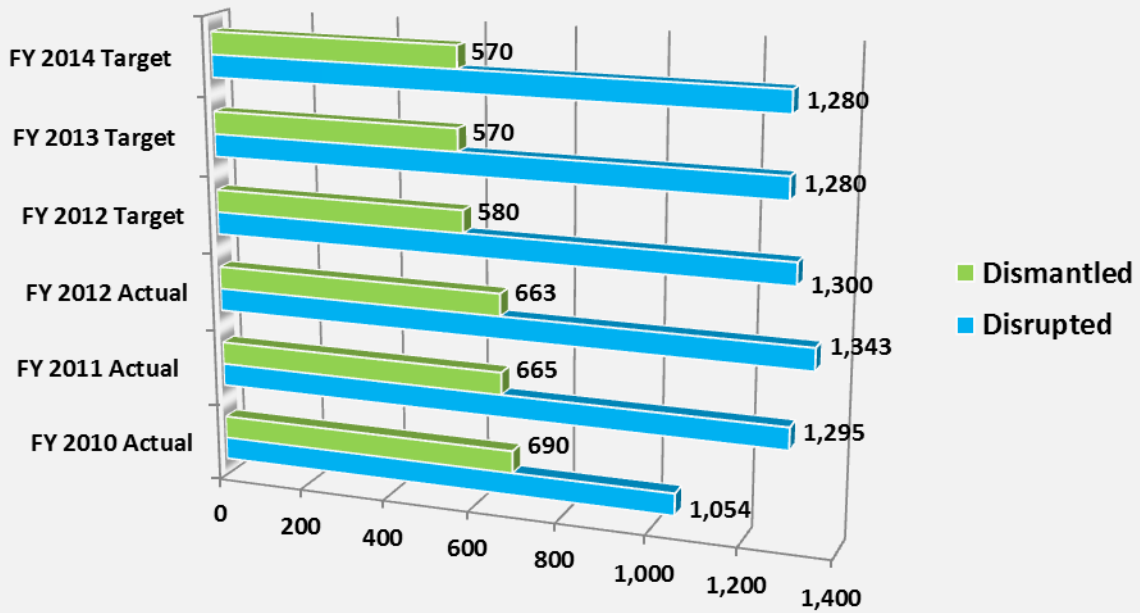
DEA's second performance measure under DOJ's Strategic Goal 2 on the Domestic Enforcement Performance and Resources Tables relates to the disruption or dismantlement of Priority Targets not linked to CPOT targets. In FY 2012, DEA disrupted 1,343 and dismantled 663 PTOs not linked to CPOT targets. This represents approximately 103 percent and 114 percent to target for each of the aforementioned dispositions, respectively.

DEA has not seen a decline in PTO performance to date; however, it has seen a decline in the number of non-PTO cases initiated, which diminishes the pool of "potential" PTOs. DEA prioritizes its efforts against drug trafficking organizations that pose the greatest threat to national security and public safety (i.e., CPOT linked PTOs).

Domestic PTOs Linked to CPOTs



Domestic PTOs Not Linked to CPOTs



State and Local Law Enforcement Officer Training

Output Performance Measure:

- *Number of Federal, State, and Local Law Enforcement Officers Trained*

DEA's State and Local Law Enforcement Officer Training program has one primary performance measure, which is the number of state and local law enforcement officers trained. For FY 2013, and FY 2014, DEA evaluated and adjusted its targets for the number of state and local officers trained to 45,000. This reduced target is not anticipated to have an adverse impact on public health and safety or the safety and security of law enforcement personnel. In FY 2012, DEA trained 49,118 state and local law enforcement officers, which represents 109 percent to target performance. DEA anticipates that it will continue to meet its targets in FY 2013 and FY 2014.

Drug Trafficker Revenue Denied

Outcome Performance Measure:

- *Monetary Value of Currency, Property, and Drugs Seized (Drug Trafficker Revenue Denied)*

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

b. Strategies to Accomplish Outcomes

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

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

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

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

The following strategies outline DEA's plan to achieve the Domestic Enforcement objectives in FY 2014:

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

Narcotics smuggling along the southwest border (SWB) poses a significant national security issue for the United States. The SWB provides hundreds of miles of open areas, which are an ideal environment for cross-border drug trafficking and money laundering activities. DEA has also identified the SWB as a major focus area of interest because the possibility exists for terrorist organizations to use established drug smuggling routes to smuggle dangerous individuals or weapons of mass destruction into the United States. Given this triple threat of illegal drugs, violence, and terrorism, DEA's efforts along the SWB are now more critical than ever.

EPIC is DEA's long-standing and most important intelligence sharing organization focusing on the Southwest Border. EPIC's mission is to support United States law enforcement and interdiction components through timely analysis and dissemination of intelligence on illicit drug and alien movements and the criminal organizations responsible for these illegal activities, within the United States, on both sides of the U.S.-Mexico border, across the Caribbean, and from other points of origin within the Western Hemisphere en route to the United States. In carrying out this mission, EPIC provides intelligence to law enforcement agents, investigators, and analysts at all levels of government throughout the United States and in some foreign nations. This includes directly supporting the efforts of DOJ and Department of Homeland Security (DHS) components, including the Coast Guard, Immigration and Customs Enforcement, and Customs and Border Protection. EPIC also has information sharing agreements with police agencies in all 50 states and it shares near real time information with Joint Interagency Task Force-South (JIATF-S) and other drug interdiction agencies/elements.

Disrupt and dismantle Consolidated Priority Organization Targets (CPOTs)

The OCDETF Program, of which DEA is the leading participant, contributes to DOJ's Strategic Goal to reduce the supply of drugs available for consumption in the United States by targeting organizations on the CPOT list – the "Most Wanted" drug trafficking and money laundering organizations believed to be primarily responsible for the nation's illicit drug supply. The objective is to dismantle these organizations so that reestablishment of the same criminal

organization is impossible and the source of the drug is eliminated. The disruption or dismantlement of CPOT organizations is accomplished primarily by multi-agency investigations. These investigations emphasize developing intelligence-driven operations to identify and target international drug trafficking organizations that play significant roles in the production, transportation, distribution, financing, or other support of large scale drug trafficking.

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

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

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

DEA's Intelligence Program has been refocused on the concept of predictive intelligence to identify trends and vulnerabilities and then direct enforcement resources to those areas. In addition to its traditional drug law enforcement mission, DEA joined the Intelligence Community (IC) in 2006 due to the nexus between illegal drug trafficking and its proceeds which support terror organizations. DEA has expanded its Intelligence Program and has implemented the following initiatives: a DEA Office of National Security Intelligence; a Representation in the National Security Council Office for Combating Terrorism; an Organized Crime Drug Enforcement Task Force Fusion Center (OFC); and a National Virtual Pointer System (an information system that provides federal, state, and local law enforcement agencies with a target deconfliction capacity for all crimes).

Disrupt and dismantle violent gangs involved in drug trafficking

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

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

Reduce the threat, trafficking, and use of methamphetamine

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

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

DEA executes its training mission through the State and Local Training Program, which provides law enforcement officers with essential skills needed to conduct narcotics investigations and contribute to the nationwide counterdrug effort. DEA offers an array of classes to state and local officers to include Drug Diversion training, Drug Enforcement Unit Commander training (DUCA), Federal Law Enforcement Analysis Training (FLEAT), and Narcotics Supervisory Leadership training. In addition, state and local training is offered through DEA's Domestic Field Division Offices and Division Training Coordinators. By teaching others the methodologies and techniques of drug enforcement, DEA is able to expand drug enforcement across the United States in a very cost-effective manner.

Provide educational resources through the Demand Reduction Program's sponsorship of National Red Ribbon Week

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

c. Priority Goals

DEA contributes to DOJ's Priority Goal 2: Violent Crime: Reduce Gang Violence: By September 30, 2016, in conjunction with state and local law enforcement agencies, reduce the number of violent crimes attributed to gangs to achieve 5 percent increases on three key indicators: (1) youths who exhibited a change in targeted behaviors as a result of participation in DOJ gang prevention program; (2) coordination of gang investigations on joint Federal, state, and local levels resulting in gang arrests; and, (3) intelligence products produced in support of Federal, state, and local investigations that are focused on gangs posing a significant threat to communities. DEA's progress is reported quarterly.

DEA's ongoing efforts to combat violent drug trafficking organizations in specific neighborhoods and restore safer environments for the residents are well documented. However, in furtherance of that effort and in support of the Department's Violent Crime Initiatives, on August 3, 2010, DEA and DOJ's Criminal Division entered into a Memorandum of Understanding (MOU). Pursuant to the terms of the MOU, DEA agreed to establish a partnership with the National Gang Targeting, Enforcement and Coordination Center (GangTECC) in order to enhance the combined abilities of the partner agencies to coordinate information and enforcement activities to disrupt and dismantle regional, national, and international gang threats. Specifically, DEA established an operational partnership, which made SOD resources available to GangTECC in order to enhance GangTECC capabilities, coordinate existing GangTECC cases/operations, assist in the initiation of new GangTECC cases and initiatives, and enhance the investigations of regional, national, and international gang threats by providing substantial operational intelligence and targeting support.

Since merging under the operational direction of SOD in FY 2010, the GangTECC/Operational Section: Gangs (OSG) has successfully coordinated several high impact gang operations. After supporting only approximately 100 cases in the three years prior to the SOD merger GangTECC/OSG supported over 853 in FY 2011, its first full year at SOD. Furthermore, in FY 2012 with a broad objective to increase gang arrests by 2 percent over the FY 2011 baseline, GangTECC/OSG supported cases accounted for 891 arrests, which represented a 4.4 percent increase.

In addition, as part of the GangTECC/OSG mission of coordinating significant local impact cases, the section conducts outreach to state and local agencies by incorporating them in the operations and providing investigative support. During FY 2012, GangTECC/OSG conducted 34 outreach meetings throughout the country with Federal, state, and local law enforcement counterparts.

C. State and Local Assistance

<i>State and Local Assistance</i>	Direct Pos.	Estimate FTE	Amount (\$000)
2012 Enacted	31	20	\$5,640
2013 Continuing Resolution	31	22	5,674
2013 Continuing Resolution 0.612% Increase	0	0	34
2013 Supplemental Appropriation-Sandy Hurricane Relief	0	0	0
Base and Technical Adjustments	0	0	-9
2014 Current Services	31	22	5,665
2014 Program Increases	0	0	0
2014 Program Offsets	0	0	-4
2014 Request	31	22	5,661
Total Change 2012-2014	0	2	\$21

1. Program Description

Through expertise and leadership, DEA continues to support state and local efforts with specialized programs aimed at reducing the availability of drugs. In FY 2014, DEA will provide direct assistance to state and local law enforcement agencies through its State and Local Law Enforcement Officer Clandestine Laboratory Training, the Hazardous Waste Program (Clandestine Drug Laboratory Cleanup), and the Domestic Cannabis Eradication/Suppression Program (DCEP). In FY 2013, the Community Oriented Policing Services (COPS) will transferred \$12.5 million to DEA to assist state and local law enforcement with clan lab cleanups. In FY 2014, COPS is requesting \$12.5 million that will be available to reimburse DEA for state and local methamphetamine lab cleanups and training. DEA has also received \$18 million in FY 2013 funding from DOJ's Asset Forfeiture Fund (AFF) to support the cannabis eradication program. DEA anticipates receiving similar level of funding from AFF in FY 2014.

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

State and Local Law Enforcement Officer Clandestine Laboratory Training

DEA offers extensive specialized training programs to state and local law enforcement officers in the area of clandestine laboratory training. State and local police are often the first to

encounter clandestine labs and must ensure that they are investigated, dismantled, and disposed of properly. Therefore, state and local officers are trained on the latest safety techniques and methods in detecting and investigating clandestine methamphetamine labs.

DEA offers five clandestine laboratory training courses: State and Local Clandestine Laboratory Certification School (SALC), Clandestine Laboratory Site Safety School (SS), Clandestine Laboratory Tactical Training School (TAC), National Guard Clandestine Laboratory Safety Certification Course (NG), and a National Improvised Explosive Familiarization (NIEF) Program for state and local bomb technicians. The NIEF program provides comprehensive instructions to state and local participants on the similarities between clan labs and improvised explosives. This program is sponsored by the Federal Bureau of Investigation with the assistance of DEA's Clan Lab Unit.

Hazardous Waste Program (Clandestine Drug Laboratory Cleanup)

Since 1980, the Environmental Protection Agency's hazardous waste regulations (under the Resource Conservation and Recovery Act) have required generators of hazardous waste to properly manage their waste. DEA, along with state and local law enforcement agencies, effectively become the "generator" of hazardous waste when a clandestine drug laboratory is seized. As a result, the DEA Laboratory System established a program in 1990 to address environmental concerns from the seizure of clandestine drug laboratories.

Cleaning up a seized clandestine drug laboratory is a complex, dangerous, and expensive undertaking. The amount of waste material and chemicals taken from a clandestine drug laboratory may vary from a few pounds to several tons, depending on the size of the laboratory and its manufacturing capabilities. Wastes may be highly toxic, flammable, corrosive, reactive, and, in some cases, radioactive. These wastes have caused injury and death to laboratory operators, and fires and explosions that have contaminated the interior of homes, apartments, motels, etc. In some instances, these wastes have been indiscriminately dumped in pits, streams, lakes, septic tanks, and along the roadside.

The DEA Hazardous Waste Program has been successful in promoting the safety of law enforcement personnel and the public, protecting the environment, and minimizing the agency's liability. DEA's program uses highly qualified companies with specialized training and equipment to perform the removal of the waste at the seized laboratory. Numerous contractors service DEA's Hazardous Waste Cleanup and Disposal Contract (HWCDC). Using these skilled contractors reduces the risk of injury to law enforcement personnel and the public from the cleanup of the seized laboratory, and, due to the nationwide network of contractors, the response time is reduced. The use of highly qualified contractors also helps to protect the environment by ensuring strict adherence to the applicable environmental laws and regulations, including safe transportation to storage and disposal facilities. Compliance with applicable laws and regulations not only reduces the probability of indiscriminate contamination of the environment from hazardous waste at clandestine drug laboratories, but also minimizes DEA's liability.

Domestic Cannabis Eradication/Suppression Program

The DCE/SP is a nationwide law enforcement program that exclusively targets marijuana. DEA administers the program and receives funding from AFF through reimbursable agreements. The majority of this funding is then allocated to 124 state and local agencies for eradication campaigns and suppression programs.

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2. Performance and Resources Tables

PERFORMANCE AND RESOURCES TABLE										
Decision Unit: State and Local Assistance										
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law										
Strategic Objective 2.3: Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs										
RESOURCES	Target		Actual		Projected		Changes		Requested (Total)	
	FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request	
Workload: Varies by Program										
Total Costs and FTE										
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)										
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
	20	\$5,640 [\$17,488]	20	\$5,640 [\$17,488]	22	\$5,674 [\$18,268]	0	(\$13) [\$12,500]	22	\$5,661 [\$30,768]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Changes		FY 2014 Request	
Program Activity	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
1. State and Local Clandestine Laboratory Training/Domestic Cannabis Eradication/Suppression Program	20	\$5,640 [\$17,488]	20	\$5,640 [\$17,488]	22	\$5,674 [\$18,268]	0	(\$13) [\$12,500]	22	\$5,661 [\$30,768]
Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement		950		1,023		950		-	
Performance Measure	# of Marijuana Plants Eradicated (Includes Plants Cultivated Indoors and Outdoors) ¹		9,500,000		3,933,950		4,000,000		-	
OUTCOME	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ²		††		††		††		-	
†† See the International Enforcement Performance and Resources Table for related performance data.										
¹ Actual performance for the Domestic Cannabis Eradication/Suppression Program is reported on a calendar year basis. This program is currently being funded through DEA/DOJ Asset Forfeiture Fund reimbursable agreements.										
² Agency-wide outcome measure reflecting the activities across DEA's three decision units (International Enforcement, Domestic Enforcement, and State and Local Assistance).										
State and Local Clandestine Laboratory Training										
Data Definition: The DEA Training Academy tracks the number of State and Local Law Enforcement Officers trained in Clandestine Laboratory Enforcement and reports it quarterly based on the fiscal										
Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.										
Domestic Cannabis Eradication/Suppression Program										
Data Definition: Domestic Cannabis Eradication/Suppression Program participants submit data monthly to DEA's program coordinators in the field. This data is compiled by DEA's program coordinators and submitted to Headquarters in a monthly report. Data is tabulated for publication annually based on the calendar year. Final CY figures are normally available in the March/April										
Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.										

PERFORMANCE MEASURE TABLE

Decision Unit: State and Local Assistance

Performance Report and Performance Plan Targets		FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012		FY 2013	FY 2014
		Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	952	968	873	1,306	1,384	950	1,023	950	950
Performance Measure	# of Marijuana Plants Eradicated (Includes Plants Cultivated Indoors and Outdoors) ¹	7,034,327	8,013,308	10,394,642	10,329,185	6,735,511	9,500,000	3,933,950	4,000,000	4,000,000

¹ 1. 2. Actual performance for the Domestic Cannabis Eradication/Suppression Program is reported by calendar year (CY) that ends December 31st. In CY 2012, law enforcement reported a decline in the overall number of marijuana plants eradicated as compared to recent years; with a majority of the decline attributed to the state of California. Several factors are believed to have contributed to the decline, such as successful law enforcement eradication operations targeting public lands in previous years, and the state of California's financial constraints resulting in the decreased availability of local law enforcement personnel to assist in eradication efforts. Additionally, law enforcement continues to see drug trafficking organizations move marijuana grow operations from public lands to private agricultural grow areas. With respect to public lands, traffickers have also moved grow sites to vast mountainous regions, which are more difficult for law enforcement to detect and reach. Unlike plants generally grown on public lands, many of the plants cultivated in the agricultural grows are super-sized and more robust, with plants reaching more than five feet tall and producing multiple pounds of marijuana. Many agricultural marijuana grow sites have operated under the guise of its state's medicinal marijuana laws. DEA's established target for CY 2013 and 2014 assume continued National Guard Bureau / DoD support.

3. Performance, Resources, and Strategies

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

a. Performance Plan and Report for Outcomes

DEA's State and Local Assistance Decision Unit consists of three programs: State and Local Law Enforcement Officer Clandestine Laboratory Training courses, DEA's Hazardous Waste Program (Clandestine Drug Laboratory Cleanup), and the DCEP. Two of these program areas have performance measures related to their specific activities and they are addressed below. Each of these programs also supports DEA's long-term goal to maximize the Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied).

State and Local Law Enforcement Officer Clandestine Laboratory Training

Performance Measure:

- *Number of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement*

Teaching others the techniques used to investigate and dismantle clandestine labs acts as a force multiplier for DEA. In FY 2012, DEA trained 1,023 state and local law enforcement officers in clandestine laboratory enforcement investigative methods and safety techniques. Between FY 2000 and FY 2012, DEA has trained a total of 14,900 state and local law enforcement officers in identifying and processing clandestine laboratories. DEA anticipates meeting or exceeding the established targets of 950 state and local law enforcement officers trained for FY 2013 and FY 2014.

Domestic Cannabis Eradication/Suppression Program

Performance Measure:

- *Number of Marijuana Plants Eradicated (Including Plants Cultivated Indoors and Outdoors)*

Since eradication is based on the growing season, all program performance data is collected and reported on the calendar year (CY) with performance weighted towards the end of the year. Domestically cultivated marijuana is dependent on climatic conditions. As a result, extreme circumstances such as flood, drought, and fire can dramatically impact the amount of product cultivated and therefore seized. In CY 2012, 3,933,950 marijuana plants were seized and destroyed. DEA had established a target of 9,500,000 marijuana plants to be eradicated in CY 2012. DEA's established targets for CY 2013 and CY 2014 are 4,000,000.

In CY 2012, law enforcement reported a decline in the overall number of marijuana plants eradicated as compared to recent years, with a majority of the decline attributed to the state of California. Several factors are believed to have contributed to the decline, such as successful law enforcement eradication operations targeting public lands in previous years, and the state of California's financial constraints resulting in the decreased availability of local law enforcement personnel to assist in eradication efforts. Additionally, law enforcement continues to see drug trafficking organizations move marijuana grow operations from public lands to private agricultural grow areas. With respect to public lands, traffickers have also moved grow sites to vast mountainous regions, which are more difficult for law enforcement to detect and reach. Unlike plants generally grown on public lands, many of the plants cultivated in the agricultural grows are super-sized and more robust, with plants reaching more than five feet tall and producing multiple pounds of marijuana. Many agricultural marijuana grow sites have operated under the guise of its state's medicinal marijuana laws.

Drug Trafficker Revenue Denied

Outcome Performance Measure:

- *Monetary Value of Currency, Property, and Drugs Seized (Drug Trafficker Revenue Denied)*

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

b. Strategies to Accomplish Outcomes

To fulfill the critical mission of reducing drug availability in the United States, DEA devotes the resources necessary to assist state and local agencies with drug enforcement efforts. Part of DEA's overall strategy is to complement state and local efforts with specialized programs aimed at reducing the availability of drugs through DEA's expertise and leadership. To achieve this goal, DEA:

- Improves the capabilities of state and local enforcement efforts with specialized clandestine laboratory training programs that improve their abilities to enforce State drug laws;
- Assists state and local law enforcement efforts to cleanup hazardous wastes produced from seized clandestine drug laboratories; and
- Assists state and local efforts to control the production of cannabis through the DCEP.

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

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

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

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

Over the past several years, DEA developed a container based cleanup program. Under this program, DEA trains and certifies law enforcement officers to remove gross contaminants from lab sites, secure and package the waste pursuant to state and Federal laws and regulations, and transport the waste to a secure container where it is stored with additional labs until a hazardous waste contractor can remove it for disposal. The container program provides a mechanism for state and local law enforcement to transport contaminants from labs (including mobile labs) and dumpsites to a secure container site in a safe and timely manner. Additionally, the program has resulted in significant cost savings per lab in states that have the containers deployed (a contractor cleanup averages \$2,230, while a container cleanup averages \$320).

DOJ COPS funding continues to be available for DEA to help states start up the container program and empty containers through a network of hazardous waste contracts. DEA has worked with ten states, Alabama, Arkansas, Illinois, Indiana, Kentucky, Nebraska, North Carolina, Oklahoma, Tennessee, and Virginia to implement a container program. DEA is now working with four additional states to establish Container Programs: Michigan, Ohio, Mississippi, and Florida. These states are expected to become operational in FY 2013. DEA continues to provide training and assistance for the ten operational states.

Assist local efforts to control the production of cannabis.

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

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D. Diversion Control Fee Account

<i>Diversion Control Fee Account</i>	Direct Pos.	Estimate FTE	Amount (\$000)
2012 Enacted	1,497	1,336	\$322,000
2013 Continuing Resolution	1,497	1,347	351,937
2013 Continuing Resolution 0.612% Increase	0	0	0
2013 Supplemental Appropriation- Sandy Hurricane Relief	0	0	0
Base and Technical Adjustments	0	0	8,980
2014 Current Services	1,497	1,347	360,917
2014 Program Increases	0	0	0
2014 Program Offsets	0	0	0
2014 Request	1,497	1,347	360,917
Total Change 2012-2014	0	11	\$38,917

1. Program Description

The Diversion Control Program (DCP) is responsible for carrying out a primary mission of the DEA: to enforce the Controlled Substances Act (CSA) and its regulations pertaining to pharmaceutical controlled substances and listed chemicals. In doing so, the DCP conducts and facilitates domestic investigations; supports international investigations with domestic connections; plans and allocates program resources; promulgates regulations; and conducts liaison with industry, as well as Federal, state, and local counterparts. All of the goals, strategies and initiatives supported by the DCP are intended to establish stronger standards of control; aid in preventing the diversion of pharmaceutical controlled substances and listed chemicals; enhance public safety by building greater accountability; and improve qualitative reporting requirements within its network of compliance indicators.

Using a system of scheduling, quotas, recordkeeping, reporting, and security requirements, the DCP actively monitors approximately 1.47 million individuals and companies (registrants), which are registered with the DEA to handle controlled substances or listed chemicals. The infrastructure of controls implemented by DCP was established through the CSA and ancillary regulations. This system balances the protection of public health and safety by preventing the diversion of controlled substances and listed chemicals, while ensuring an adequate and uninterrupted supply for legitimate needs.

On March 15, 2012, DEA published a new rule to adjust the fee schedule for DEA registration and reregistration fees necessary to recover the costs of the DCP relating to the registration and control of the manufacture, distribution, dispensing, importation, and exportation of controlled substances and List I chemicals as mandated by the Controlled Substances Act. This rule became effective on April 16, 2012.

The Prescription Drug Abuse Problem

The diversion and abuse of pharmaceutical controlled substances has long been a problem, but it has become more acute in recent years. There are several factors contributing to the increased abuse of prescription drugs. Many mistakenly believe that abusing prescription drugs is safer than using illicit street drugs. Individuals are also not always aware of the potentially serious consequences of using prescription drugs non-medically. Finally, prescription drugs are often easily obtainable from friends and family.

Over the last several years, national surveys have shown that a significant number of Americans are abusing controlled substance prescription drugs for nonmedical purposes. According to the 2011 National Survey on Drug Use and Health, 6.1 million Americans (or 2.4 percent of the population) were current non-medical users of psychotherapeutic drugs. Of that number, 4.5 million Americans abused pain relievers. The survey also indicated that the abuse of prescription drugs was second only to marijuana.¹⁵

In addition, according to the Centers for Disease Control and Prevention (CDC), in 2010 there were 38,329 unintentional drug overdose deaths in the United States. This breaks down to one person dying every 14 minutes as a result of an unintentional drug overdoses. Of the 38,329 unintentional drug overdose deaths, 22,134 were from prescription drugs, and 16,651 of the prescription drug overdoses involved opioid pain relievers. Opioid pain relievers were involved in more overdose deaths than cocaine and heroin combined. In response to the CDC's designation of prescription drug abuse as an epidemic, in April 2011, the Obama Administration, via the Office of National Drug Control Policy, released the Prescription Drug Abuse Prevention Plan, which stated that prescription drug abuse is the Nation's fastest-growing drug problem.¹⁶ This plan also set forth a National Framework for addressing prescription drug abuse, entailing a four prong approach: Education, Monitoring, Enforcement and Proper Disposal. DEA supports the Administration's efforts through education, enforcement and proper disposal initiatives.

DEA focuses on preventing diversion from all levels of the closed distribution system; however, the majority of its investigations focus on where diversion occurs most often, at the retail level (pharmacies and practitioners) of the distribution chain. These investigations focus on registrants and non-registrants that are involved in the illicit distribution of pharmaceutical controlled substances. Other forms of diversion may include thefts and robberies from pharmacies, in transit robberies, prescription fraud, and doctor shopping. Currently, the main form of diverting pharmaceutical controlled substances is via "rogue" pain clinics, which are continuing to open and operate throughout the United States.

DEA has identified three major hubs across the United States (Houston, Texas; Los Angeles, California; Florida) where illegal schemes are flourishing and operating under the guise of

¹⁵ "Results from the 2011 National Survey on Drug Use and Health: Summary of National Findings." U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. Center for Behavioral Health Statistics and Quality. September 2012.

¹⁶ 2011 Prescription Drug Abuse Prevention Plan: *Epidemic: Responding to America's Prescription Drug Crisis*, pp. 7 & 8.

providing “pain management,” but whose real activities are outside the scope of professional practice and for no legitimate medical purposes. In recent years, Florida has become the “pill mill” capital of the United States, being the chief supplier of oxycodone that hastened an epidemic of illegal use throughout the country. Dosage units of oxycodone have flowed by the millions through rogue pain management clinics that opened up almost daily throughout the state of Florida, including the tri-county area of South Florida-Broward, Miami-Dade, and Palm Beach counties, as well as the Fort Myers/Tampa area. In Houston and Los Angeles, the primary controlled substance prescribed in pain clinics is hydrocodone, not oxycodone.

Another factor that contributes to the increase of prescription drug diversion is the availability of these drugs in the household. In many cases, dispensed controlled substances remain in household medicine cabinets well after medication therapy has been completed, thus providing easy access to non-medical users for abuse, accidental ingestion, or illegal distribution for profit. Accidental ingestion of medication by the elderly and children, including controlled substances, is more likely when the household medicine cabinet contains unused medications, which are no longer needed for treatment. The medicine cabinet also provides ready access to persons, especially teenagers, who seek to abuse medications. For example, the 2011 Partnership Attitude Tracking Study (PATs) noted that the number of parents who agree with the statement “anyone can access prescription medicines in the medicine cabinet” is up from 50 percent in 2010 to 64 percent in 2011.¹⁷

To combat this trend, on September 25, 2010, DEA coordinated the first-ever National Take-Back Initiative. Working with 3,000 state and local law enforcement partners, take-back sites were established at more than 4,000 locations across the United States. Approximately 121 tons of potentially dangerous drugs were collected during the one-day event.

In October 2010, Congress passed and the President signed into law the *Secure and Responsible Drug Disposal Act of 2010*. DEA has been working diligently to promulgate the regulations pertinent to this Act. As part of this effort, DEA conducted a public meeting on January 19 and 20, 2011, to receive information regarding the development of procedures for the surrender of unwanted controlled substances by ultimate users and long term care facilities. Specifically, this meeting allowed all interested persons—the general public, pharmacies, law enforcement personnel, reverse distributors, and other third parties—to express their views regarding safe and effective methods of disposal of controlled substances. The Act and implementing regulations will provide the basic framework to allow Americans to dispose of their unwanted or expired controlled substance medications in a secure and responsible manner. In the interim, DEA continues to coordinate the National Take-Back Initiative until the disposal regulations are in place. Through this initiative, DEA and its Federal, state and local law enforcement partners have made clear their steadfast commitment to reducing the potential for diversion by securely collecting controlled substances from homes and disposing of them safely. The public commenting period for the Notice of Proposed Rulemaking (NPRM) will be from December 20, 2012 thru February 19, 2013.

¹⁷ Partnership for a Drug-Free America, The Partnership Attitude Tracking Study (PATs) Teens 2011 Report.

On April 30, 2011, DEA coordinated the second National Take Back Day. During this one-day event there were approximately 5,361 sites and 3,923 state and local law enforcement agencies participating nationwide. Approximately 188 tons of potentially dangerous drugs were collected for proper disposal.

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

On April 28, 2012, DEA coordinated the fourth National Take Back Day and Americans turned in a record breaking 276 tons of unwanted or expired medications at the 5,659 take-back sites that were available in all 50 states and U.S. territories.

On September 29, 2012, DEA coordinated the fifth National Take Back Day and Americans turned in 244 tons of unwanted or expired medications at the 5,263 take-back sites that were available in all 50 states and U.S. territories. DEA has scheduled another National Take Back Day for April 27, 2013.

When the results of the five National Take Back Days are combined, DEA, and its state, local, and tribal law-enforcement and community partners have removed 1,018 tons of medication from circulation.

2. Performance and Resource Tables

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Diversion Control											
RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Change		FY 2014 Request	
Number of Criminal Case Initiations ¹		2,291		2,079		1,929				1,750	
Active Diversion PTOs Linked to CPOT Targets ²		0		16		0				0	
Active Diversion PTOs Not Linked to CPOT Targets		520		597		560				510	
Number of CSA Applicants Processed (throughout the FY)		78,387		91,654		79,995				79,995	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		1,336	\$322,000 [\$0]	1,336	\$322,000 [\$0]	1,347	\$351,937 [\$0]	0	\$8,980 [\$0]	1,347	\$360,917 [\$0]
TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2012		FY 2012		FY 2013 CR		Current Services Adjustments and FY 2014 Program Change		FY 2014 Request	
Program Activity	Diversion of Licit Drugs and Chemicals	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
		1,336	\$322,000 [\$0]	1,336	\$322,000 [\$0]	1,347	\$351,937 [\$0]	0	\$8,980 [\$0]	1,347	\$360,917 [\$0]
Performance Measure: Output	Number of Administrative/Civil/Criminal Sanctions	1,802		2,143		1,892				††	
Performance Measure: Output	Number of Administrative Sanctions (New)					††				††	
Performance Measure: Output	Number of Civil Sanctions (New)					††				††	
Performance Measure: Output	Number of Criminal Investigations (New)					††				††	
Performance Measure: Output	Number of Diversion PTOs Linked to CPOT Targets Disrupted / Dismantled ²	0/0		5/0		0				0	
Performance Measure: Output	Number of Diversion PTOs Not Linked to CPOT Targets Disrupted / Dismantled	205/120		214/156		220/130				200/120	

TYPE/ STRATEGIC OBJECTIVE	PERFORMANCE	FY 2012	FY 2012	FY 2013 CR	Current Services Adjustments and FY 2014 Program Change	FY 2014 Request
Performance Measure: Output	Number of Outreach/Public Education Events Completed (New)			††		††
Performance Measure: Output	Number of Planned Scheduled Investigations Completed	3,906	4,668	3,906		3,800
Performance Measure: Efficiency	Number of Registrations Processed per FTE	66,400	89,172	69,720		†††
<p>¹ Criminal cases will be determined by the use of DEA's Case Status Subsystem (CAST) to obtain records with 2000 series Diversion case files and class codes 40/50. In addition, DEA case file records for non-2000 series non-general file with fee fundable GDEP drug codes are included.</p> <p>² As a participant in the PTO program, Diversion is required to report PTOs linked to CPOT and not linked to CPOT. However, with the nature of the Diversion program, CPOT linkages are a rare event.</p> <p>†† DEA will use FY 2013 to establish baselines for new measures. Additional information is provided for each measure in Section D.3.a</p> <p>††† DEA is discontinuing use of Number of Registrations Processed per FTE. Additional information is provided in Section D.3.a.</p>						

Data Definitions:

Types of Registrants:

- * Type A Registrants dispense controlled substances at the retail level. These include pharmacies, hospitals, clinics, practitioners, teaching institutions and mid-level practitioners (nurse practitioners, physician assistants, etc.).
- * Type B Registrants manufacture and distribute controlled substances at the wholesale level. These include manufacturers, distributors, analytical labs, importers/exporters, researchers and narcotic treatment programs.
- * Chemical Registrants manufacture and distribute chemicals at the wholesale and retail level. These include retail distributors, manufacturers, distributors, importers and exporters.
- * Criminal Investigation on CSA/CDTA Registrants: All non-scheduled regulatory investigations of CSA/CDTA violations/violators. These include: Priority Target Organizations (PTOs); criminal investigations; and Drug Oriented Investigations (DOIs).

Sanction Categories:

- * Administrative: Consists of actions that may include letters of admonition, memorandum of agreement, order to show cause or immediate suspension order.
- * Civil: Consist of civil fines
- * Criminal: Consists of actions in which criminal charges and prosecution are pursued.

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

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

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

PERFORMANCE MEASURE TABLE										
Decision Unit: Diversion Control										
Performance Report and Performance Plan Targets		FY 2007	FY2008	FY 2009	FY 2010	FY 2011	FY 2012		FY 2013	FY 2014
		Actual	Actual	Actual	Actual	Actual	Target	Actual	Target	Target
Performance Measure	Number of Administrative/Civil/Criminal Sanctions	1,261	1,601	1,557	1,519	2,110	1,802	2,143	1,892	††
Performance Measure	Number of Administrative Sanctions (New)								††	††
Performance Measure	Number of Civil Sanctions (New)								††	††
Performance Measure	Number of Criminal Investigations (New)								††	††
Performance Measure	Number of Diversion PTOs Linked to CPOT Targets Disrupted & Dismantled ¹	0	1/0	2/1	2/2	3/8	0	5/0	0	0
Performance Measure	Number of Diversion PTOs Not Linked to CPOT Targets Disrupted & Dismantled ¹	67/35	129/66	112/109	154/104	187/159	205/120	214/156	220/130	200/120
Performance Measure	Number of Planned Scheduled Investigations Completed	N/A	N/A	1,065	3,554	4,340	3,906	4,668	3,906	3,800
Performance Measure	Number of Outreach/Public Education Events Completed (New)								††	††
Efficiency Measure	Number of Registrations Processed per FTE	34,219	50,439	57,359	58,869	82,436	66,400	89,172	69,720	†††

¹Prior to FY 2010, the Diversion Control Program was not officially part of the DEA's Priority Targeting Program; therefore, PTO data reported for FY 2006 – FY 2009 may be understated. Prior to FY 2010, the Diversion Control Program had separate definitions for disruptions and dismantlements based on administrative, civil, and criminal sanctions tracked through the CSA II database. Beginning in FY 2010, with the creation of Tactical Diversion Squads in every domestic field division, the Diversion Control Program began focusing on the identification of PTOs and their eventual disruption and dismantlement.

†† DEA will wait to establish a baseline for new measures before establishing projections. Actual statistics will be reported at the end of FY 2013.

††† DEA is discontinuing use of Number of Registrations Processed per FTE.

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3. Performance, Resources, and Strategies

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

a. Performance Plan and Report for Outcomes

Performance Narrative

The DCP has established the following measures:

Workload Measures:

- *Number of Criminal Cases Initiated*
- *Active Diversion PTOs (Including Linked to CPOTs and Not Linked to CPOTs)*
- *Numbers of CSA Applications Processed*

DEA initiates criminal investigations on those suspected of criminal violations of the CSA. Criminal prosecutions are coordinated with an Assistant United States Attorney or state district attorney. Criminal cases vary greatly in resource requirements and complexity.

As a participant in the PTO program, Diversion PTOs can be either criminal or regulatory. Regulatory PTO investigations are administrative, civil, and regulatory investigations that have a regional or national impact on a registrant's ability to handle controlled substances. PTOs linked to CPOTs and not linked to CPOTs are DEA-wide measures, and as DEA tracks the measures, they are reported by program (Domestic, International, and Diversion Control). To date, there have been two approved Diversion CPOTs and numerous investigations that have been linked to those CPOTs. Historically, though, the number of actual disruptions or dismantlements of Diversion PTOs linked to CPOTs has been low and insignificant compared to DEA's overall disruptions and dismantlements of PTOs linked to CPOTs. This is not the focus of the Diversion program, and as such, there may not be any disruptions or dismantlements of PTOs linked to CPOTs for Diversion in any given year.

Each year since the establishment of the DCP, DEA has received new applications for Drug and Chemical CSA registrations. DEA has no control over the number of new applicants and the number of new applicants can vary greatly from year to year. DEA's projected number of new applicants is based on prior year trends and solely intended to represent potential workload for FY 2013 and beyond. DEA will process all incoming registration application requests in a concise and forthwith manner.

Output Performance Measures:

- *Number of Administrative Sanctions*
- *Number of Civil Sanctions*
- *Number of Criminal Investigations*

- *Number of Diversion PTOs Disrupted & Dismantled (Including Linked to CPOTs and Not Linked to CPOTs)*
- *Number of Planned Scheduled Investigations Completed (Overall)*
- *Number of Outreach/Public Education Events Completed (Overall)*

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

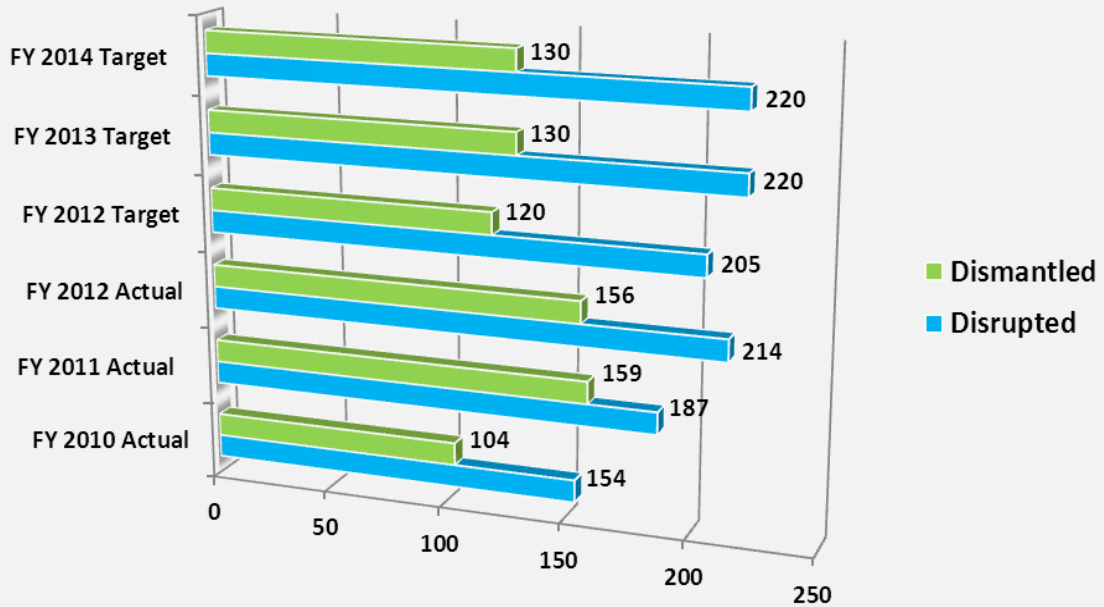
- Administrative actions are handled by DEA and can include (1) a letter of admonition to advise the registrant of any violations; (2) memorandum of agreement, an agreement between DEA and a registrant in which the registrant agrees to specify behavior; (3) an order to show cause, which initiates revocation or suspension of a DEA registration; and (4) an immediate suspension order against the registrant if there is a finding of imminent threat to public health or safety.
- Civil penalties are typically coordinated with an Assistant United States Attorney or in some instances the local district attorney. Civil violations are typically recordkeeping violations involving controlled substances or listed chemicals. Penalties for civil actions generally include monetary fines.
- Criminal prosecutions are coordinated with an Assistant United States Attorney or state district attorney. Criminal violations include offenses such as the illegal distribution of controlled substances and other related offenses such as health care fraud, tax evasion, and money laundering. Criminal penalties generally include incarceration and fines.

In FY 2012, the Diversion Control Program (DCP) reported 2,143 administrative/civil/criminal sanctions. All three measures were previously reported as a combined performance measure. Because of unique distinctions between administrative, civil, and criminal actions, DEA will begin reporting these measures separately in FY 2013. Because this is the first year they will be reported separately, DEA will wait to establish a baseline before reporting projections for these three measures.

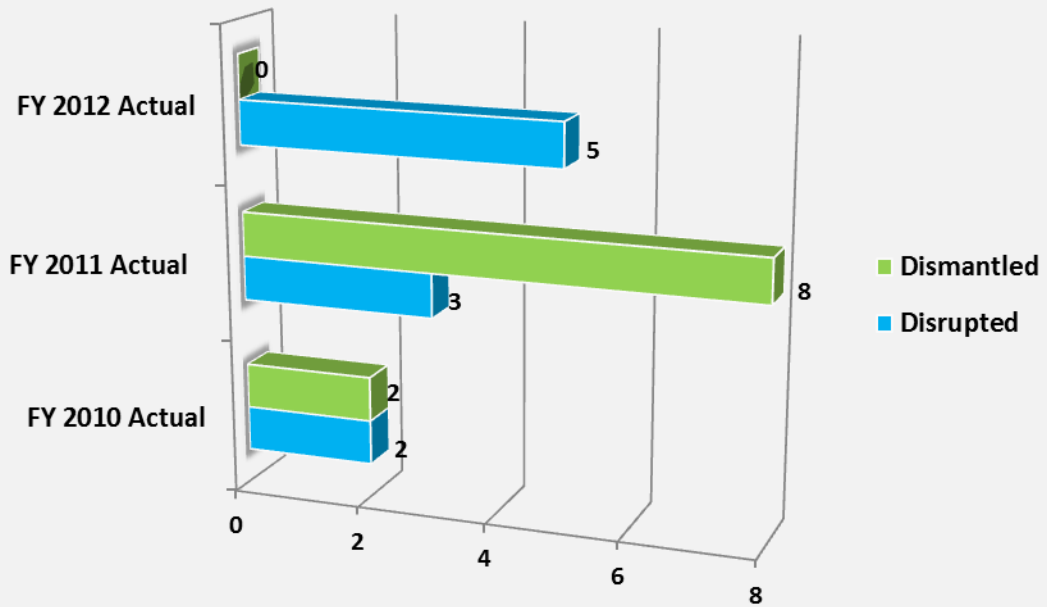
Beginning in FY 2010, with the creation of Tactical Diversion Squads (TDS) in every domestic field division, the Diversion Control Program began focusing on the identification of PTOs and their eventual disruption and dismantlement. Additional TDS staff will provide additional resources for PTO cases; however, the TDSs are not fully staffed yet. In FY 2012, the number of PTOs disrupted was 214 and the number of PTOs dismantled was 156.

DEA conducts numerous outreach and public education events throughout the fiscal year. The various conferences and seminars provide information to our registrants, law enforcement, educators, and the general public. While some outreach events are pre-planned, many are implemented on 'as-needed' basis as outreach and education needs change with the highly dynamic nature of diversion trends. Because this is a new measure, DEA will wait to establish a baseline before reporting projections.

Diversion PTOs Not Linked to CPOTs



Diversion PTOs Linked to CPOTs



Efficiency Measure:

- *Number of Registrations Processed per FTE*

There are several factors that may significantly impact the targets for this efficiency measure, including the three-year registration cycle, changes in staffing, and technology improvements. The number of registrations is largely out of DEA's control, and many registrations are now processed online. Due to the variable nature of registrations and staffing fluctuations, DEA plans to discontinue use of this measure. The DCP will monitor service levels in order to ensure timely service to its registrants. In FY 2012, registrations processed per FTE were 89,172.

Outcome Measure:

DEA will continue to evaluate potential outcome measures for the DCP.

b. Strategies to Accomplish Outcomes

DOJ Strategic Objective 2.3: "Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs"

The DCP's mission is to prevent, detect, and investigate the diversion of controlled pharmaceuticals and listed chemicals from legitimate sources while ensuring an adequate and uninterrupted supply for legitimate medical, commercial, and scientific needs. The following strategies outline DEA's plan to achieve this objective:

Identify and target those individuals and organizations responsible for the diversion of pharmaceutical controlled substances and/or listed chemicals using traditional and non-traditional investigative methods. Investigate and prepare for prosecution of violators of pharmaceutical controlled substance laws at the international, national, state, and local levels.

Tactical Diversion Squads

The DCP conducts criminal enforcement activities primarily through TDS groups. TDSs are comprised of many DEA specialties, including DEA Special Agents and Diversion Investigators, and state and local counterparts such as state law enforcement and regulatory personnel. These groups combine varied resources and expertise in order to identify, target, investigate, disrupt, and dismantle those individuals or organizations involved in diversion schemes (e.g., pill mills, prescription forgery rings, and rogue internet pharmacies). TDSs develop sources of information and disseminate intelligence to appropriate elements for the development of leads and targets. The TDS provides support to a Diversion Group and/or a Diversion Staff where law enforcement authority (LEO) activities are required (e.g., purchase of evidence/purchase of information, conducting surveillance, conducting undercover operations, making arrests, and executing search/seizure warrants). As of December 19, 2012, 48 TDSs are operational and ten are planned for a total 58 squads in 37 states plus Puerto Rico and the District of Columbia. The establishment of additional TDSs will be accomplished based on diversion trends, budget authority, and funding levels.

Chemical Initiatives

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

Distributor Initiative

DEA established the Distributor Initiative Program in August 2005 to remind distributors of their responsibilities under the Controlled Substances Act (CSA) and its implementing regulations to identify suspicious orders. Since its inception in 2005, 81 corporations/companies consisting of 223 individual distribution centers have been briefed by DEA. As a result, some distributors have voluntarily stopped selling or restricted sales of controlled substances to suspicious domestic pharmacies and practitioners. Through the Distributor Initiative Program various distributors intensified their due diligence efforts and cut off the supply of controlled substance pharmaceuticals to suspicious customers. As a result, distributors have voluntarily terminated or restricted sales to 3,717 customers. For those distributors who failed to adhere to their regulatory responsibilities, DEA has taken significant actions, which has resulted in Immediate Suspensions, Orders to Show Cause, Memorandum of Agreements, Surrenders of Registrations and the collection of record-setting civil penalties.

Improved Technology

The DCP determines the appropriate procedures necessary to order and distribute schedule I and II controlled substances. This enables the DCP to monitor the flow of certain controlled substances from their point of manufacture through commercial distribution. It also monitors registrant compliance with electronic reporting systems such as the Automation of Reports and Consolidated Orders System (ARCOS), and manages the cataloging of controlled substances based on the National Drug Code (NDC) system, the Drug/Ingredient file, Trade Name file, DEA Generic Name file and U.N. Code/Name file. Other oversight activities include maintaining the Controlled Substance Ordering System (CSOS), monitoring CSOS activities through the initial certification process, and periodic auditing of registrant systems. CSOS provides registrants with an electronic platform that reduces costs to registrants while ensuring a more efficient and effective ordering process. The DCP successfully made improvements to the technology infrastructure of CSOS and streamlined the application process for registrants by implementing an online system for new applications and renewal applications for registrations. Additionally, DCP successfully implemented the online version of the Import/Export Declaration for List I and List II Chemicals (DEA Form 486) and is available for registrant use. Permit application and declaration forms for controlled substances is currently under development. The DCP is also enhancing the communications system to allow interconnectivity between many

different systems. The DCP is continually working to improve the quality and accessibility of its reporting systems, such as ARCOS and Drug Theft/Loss (DTL). These two programs generate timely, accurate, and actionable data that improve the DCP's enforcement and control efforts as well as providing for a more efficient means by which registrants may submit such reports.

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

Compliance and Cooperation with Registrants

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

Due to the increase in pharmacy robberies and thefts, forged prescriptions, doctor shoppers, or illegitimate prescriptions from rogue practitioners across the country, the DCP has hosted conferences designed to educate pharmacists and pharmacy technicians about the growing problem of diversion and abuse of pharmaceutical controlled substances and steps they can take to prevent it. Pharmacy Diversion Awareness Conferences (PDAC) assist pharmacy personnel in identifying and responding to potential diversion activity. As of December 19, 2012, the Office of Diversion Control, (OD) has hosted six such conferences: Cincinnati, OH, in September 2011; West Palm Beach, FL, in March 2012; Atlanta, GA, in June 2012; Houston, TX, and Long Island, NY, in September 2012; and Indianapolis, IN, in December 2012. Due to the increase in diversion and changes in diversion tactics, OD will continue to hold PDACs throughout the United States to provide the necessary guidance and education to reduce and prevent the diversion of controlled substances and listed chemicals. The locations of the PDACs are chosen due to the extensive problems these areas have with diversion and abuse of pharmaceutical controlled substances.

Scheduled Investigations

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

regulations. Pre-registration investigations reduce the possibility of registering unauthorized subjects, ensure that the means to prevent diversion are in place, and determine whether registration is consistent with the public interest.

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

Take proactive enforcement measures to combat emerging drug trends.

Drug Trend Analysis

The DCP is constantly evaluating diversion trends, patterns, routes, and techniques in order to appropriately focus its administrative, regulatory, civil, and criminal enforcement activities. This is accomplished in many ways, including collecting and analyzing targeting data, conducting diversion threat assessments, working with state and local medical and pharmacy boards, state and local law enforcement agencies, and developing intelligence. The recent proliferation of synthetic drugs (cannabinoids, cathinones, and phenethylamines) sold under the guise of “bath salts” or “incense” and labeled “not for human consumption,” are three drugs of considerable concern sweeping across the United States. These stimulant/hallucinogen, depressant/hallucinogen and hallucinogen type drugs are predominately produced in China and are then smuggled into the U.S., where they are prepared for packaging and marketed over the Internet, or supplied to retail distributors before being sold to the public at retail stores (e.g. “head” shops, convenience stores, gas stations and liquor stores). The legal status of each of these substances depends on the chemical components and the jurisdiction.

The DCP assists the field in obtaining the necessary evidence of these emergent synthetic drugs to help support DEA's emergency scheduling actions. The DCP provides funding primarily for Purchase of Evidence in support of scheduling actions of non-controlled synthetic drugs and other substances as outlined in 21 U.S.C. § 811. Based upon the DCP expertise and guidance, the DEA Administrator signed the Final Order to emergency schedule five synthetic cannabinoids and three synthetic cathinones to prevent an imminent hazard to the public safety.

Coordinate E-Commerce Initiative with other Federal, state, and local law enforcement and regulatory agencies, as well as develop and implement a fully-integrated, IT architecture necessary for external E-Commerce application.

Electronic Prescriptions for Controlled Substances

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

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

Establishing Quotas

Establishing quotas and monitoring imports of narcotic raw materials are critical to ensuring an adequate and uninterrupted supply of legitimate medicines containing controlled substances and listed chemicals without creating an oversupply. The aggregate production quota (APQ) and annual assessment of needs (AAN) are established each calendar year to provide for the estimated medical, scientific, research, and industrial needs of the United States, for lawful export requirements, and for the establishment and maintenance of reserve stocks. Information provided by industry (e.g. import permits and declarations, sales, distributions, inventory, manufacturing schedules, losses, and product development needs) and corroborated by consumption of these substances (e.g. prescriptions, distributions to retail levels, and input from the Federal Drug Administration (FDA) on new products and indications) are utilized when determining the APQ and AAN. Quota and import estimates for individual substances can either go up or down in a given year, depending on any number of factors.

Finally, the DCP continues to provide scientific and technical support in the following manner:

- Compiling, analyzing, and reporting specific information on the production, distribution, consumption, and estimated needs of all narcotics, psychotropic substances, listed chemicals and their preparations;
- Providing general scientific guidance and support to DEA, state, and local agencies and international organizations regarding drug and listed chemical control issues and the biological sciences;
- Examining all Schedule I research protocols;
- Serving as or identifying appropriate expert witnesses in criminal, administrative, and other proceedings;
- Identifying information needs, initiating actions/studies, and alerting enforcement and public health entities on newly identified patterns of use/abuse on controversial substances such as synthetic cannabinoids in conjunction with the National Institute on Drug Abuse (NIDA) and

the National Forensic Laboratory Information System (NFLIS – the NFLIS database contains over 5 million entries and also includes STRIDE data from the DEA lab system); and,

- Preparing periodic reports mandated by treaties.

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V. Program Offsets by Item

Item Name:	Hollow Position Reduction
Budget Decision Unit(s):	Domestic
Strategic Goal/Objective:	Strategic Goal 2; Strategic Objectives 2.1 and 2.3
Organizational Program:	DEA-wide
Program Offset:	Positions <u>-514</u> Agt <u>-50</u> FTE <u>0</u> Dollars <u>0</u>

Description of Item

In FY 2014, DEA will eliminate 514 vacant and hollow positions, including 50 special agent positions.

Summary Justification

This offset eliminates positions that are vacant. This reduction reflects the Department's commitment to more closely aligning DEA's authorized personnel and funding levels.

DEA's FY 2014 current position allocation by decision unit is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

Impact on Performance

Because the positions being eliminated are currently vacant, there will be no impact on current staffing or operational levels.

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Item Name: **Administrative Efficiencies**

Budget Decision Unit(s): Domestic, Foreign, State & Local

Strategic Goal/Objective: Strategic Goal 2; Strategic Objectives 2.1 and 2.3

Organizational Program: DEA-wide

Program Reduction: Positions 0 Agt/Atty 0 FTE 0 Dollars -\$9,880,000

Description of Item

DEA proposes to achieve cost savings of \$9,880,000 in non-personnel base resources from savings realized from increased efficiencies and reduced spending.

Summary Justification

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

Impact on Performance

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

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Item Name: **Information Technology Savings**

Budget Decision Unit(s): Domestic

Strategic Goal/Objective: Strategic Goal 2; Strategic Objectives 2.1 and 2.3

Organizational Program: DEA-wide

Program Reduction: Positions 0 Agt/Atty 0 FTE 0 Dollars -\$2,038,000

Description of Item

DEA proposes to achieve cost savings of \$2,038,000 in non-personnel base resources from savings realized from Department –wide collaboration on IT contracts and potentially through sharing contracts.

Summary Justification

As part of its effort to increase IT management efficiency and comply with OMB’s direction to reform IT management activities, the Department is implementing a cost saving initiative as well as IT transformation projects. To support cost savings, the Department is developing an infrastructure to enable DOJ components to better collaborate on IT contracting, which should result in lower IT expenditures. In FY 2014, the Department anticipates realizing savings on all direct non-personnel IT spending through IT contracting collaboration. These savings will not only support greater management efficiency within components but will also support OMB’s IT Reform plan by providing resources to support major initiatives in Cybersecurity, data center consolidation, and enterprise e-mail systems. The savings will also support other Department priorities in the FY 2014 request. The offset to support these initiatives for DEA is \$2,038,000.

Impact on Performance

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

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B. Summary of Requirements

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

	FY 2014 Request		
	Direct Pos.	Estimate FTE	Amount
2012 Enacted	8,304	6,968	2,025,000
2012 Balance Rescission			-10,000
Total 2012 Enacted (with Balance Rescission)	8,304	6,968	2,015,000
2013 Continuing Resolution	8,304	6,969	2,025,000
2013 CR 0.612% Increase			12,393
2013 Supplemental Appropriation - Sandy Hurricane Relief			1,000
2013 Balance Rescission			-10,000
Total 2013 Continuing Resolution (with Balance Rescission and Supplemental)	8,304	6,969	2,028,393
Technical Adjustments			
Supplemental Adjustment - Sandy Hurricane Relief	0	0	-1,000
Adjustment - 2013 CR 0.612%			-12,393
Restoration of Balance Rescission	0	0	10,000
Total Technical Adjustments	0	0	-3,393
Base Adjustments			
Transfers:			
JABS			1,900
JCON and JCON S/TS			403
NDIC	57	0	8,026
New Technology			13,800
Office of Information Policy (OIP)			-310
Professional Responsibility Advisory Office (PRAO)	0	0	-32
Pay and Benefits	0	0	11,916
Domestic Rent and Facilities	0	0	-1,668
Other Adjustments	0	0	6,784
Foreign Expenses	0	0	14,051
Total Base Adjustments	57	0	54,870
Total Technical and Base Adjustments	57	0	51,477
2014 Current Services	8,361	6,969	2,079,870
Program Changes			
No Increases	0	0	0
Offsets:			
Hollow Positions Reduction	-514	0	0
Administrative Efficiencies	0	0	-9,880
IT Savings	0	0	-2,038
Subtotal, Offsets	-514	0	-11,918
Total Program Changes	-514	0	-11,918
2014 Total Request	7,847	6,969	2,067,952
2014 Balance Rescission			-10,000
2014 Total Request (with Balance Rescission)	7,847	6,969	2,057,952
2012 - 2014 Total Change	-457	1	52,952

Note: The FTE for FY 2012 is actual and for FY 2013 and FY 2014 are estimates.

B. Summary of Requirements

Summary of Requirements

Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Program Activity	2012 Appropriation Enacted			2013 Continuing Resolution *			2014 Technical and Base Adjustments			2014 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Domestic Enforcement	7,199	5,954	1,601,690	7,199	6,001	1,612,519	57	0	28,174	7,256	6,001	1,640,693
International Enforcement	1,074	994	417,670	1,074	946	420,200	0	0	13,312	1,074	946	433,512
State & Local Assistance	31	20	5,640	31	22	5,674	0	0	-9	31	22	5,665
Total Direct	8,304	6,968	2,025,000	8,304	6,969	2,038,393	57	0	41,477	8,361	6,969	2,079,870
Balance Rescission			-10,000			-10,000			10,000			0
Total Direct with Rescission			2,015,000			2,028,393			51,477			2,079,870
Reimbursable FTE		1,353			1,351			-28			1,323	
Total Direct and Reimb. FTE		8,321			8,320			-28			8,292	
Other FTE:												
LEAP		904			905			0			905	
Overtime		91			91			0			91	
Grand Total, FTE		9,316			9,316			-28			9,288	

Program Activity	2014 Increases			2014 Offsets **			2014 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Domestic Enforcement	0	0	0	-514	0	-9,125	6,742	6,001	1,631,568
International Enforcement	0	0	0	0	0	-2,789	1,074	946	430,723
State & Local Assistance	0	0	0	0	0	-4	31	22	5,661
Total Direct	0	0	0	-514	0	-11,918	7,847	6,969	2,067,952
Balance Rescission			0			-10,000			-10,000
Total Direct with Rescission			0			-21,918			2,057,952
Reimbursable FTE		0			0			1,323	
Total Direct and Reimb. FTE		0			0			8,292	
Other FTE:								0	
LEAP		0			0			905	
Overtime		0			0			91	
Grand Total, FTE		0			0			9,288	

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101(c)), plus supplemental appropriations.

** DEA's FY 2014 current position allocation by decision unit is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

B. Summary of Requirements

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

	FY 2014 Request		
	Direct Pos.	Estimate FTE	Amount
2012 Enacted	1,497	1,336	322,000
2013 Continuing Resolution	1,497	1,347	351,937
Base Adjustments			
Pay and Benefits	0	0	9,045
Domestic Rent and Facilities	0	0	-185
Foreign Expenses	0	0	120
Total Technical and Base Adjustments	0	0	8,980
2014 Current Services	1,497	1,347	360,917
Program Changes			
No Increases	0	0	0
No Offsets	0	0	0
Total Program Changes	0	0	0
2014 Total Request	1,497	1,347	360,917
2014 Total Request (with Balance Rescission)	1,497	1,347	360,917
2012 - 2014 Total Change	0	11	38,917

Note: The FTE for FY 2012 is actual and for FY 2013 and FY 2014 are estimates.

B. Summary of Requirements

Summary of Requirements

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

Program Activity	2012 Appropriation Enacted			2013 Continuing Resolution *			2014 Technical and Base Adjustments			2014 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Diversion Control Fee Account	1,497	1,336	322,000	1,497	1,347	351,937	0	0	8,980	1,497	1,347	360,917
Total Direct	1,497	1,336	322,000	1,497	1,347	351,937	0	0	8,980	1,497	1,347	360,917
Total Direct with Rescission			322,000			351,937			8,980			360,917
Reimbursable FTE		0			0			0			0	
Total Direct and Reimb. FTE		1,336			1,347			0			1,347	
Other FTE:												
LEAP		63			66			0			66	
Overtime		19			19			0			19	
Grand Total, FTE		1,418			1,432			0			1,432	

Program Activity	2014 Increases			2014 Offsets			2014 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Diversion Control Fee Account	0	0	0	0	0	0	1,497	1,347	360,917
Total Direct	0	0	0	0	0	0	1,497	1,347	360,917
Total Direct with Rescission			0			0			360,917
Reimbursable FTE		0			0			0	
Total Direct and Reimb. FTE		0			0			1,347	
Other FTE:									
LEAP		0			0			66	
Overtime		0			0			19	
Grand Total, FTE		0			0			1,432	

*This is a fee account and does not include the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101(c)).

B. Summary of Requirements

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

	FY 2014 Request		
	Direct Pos.	Estimate FTE	Amount
2012 Enacted	0	0	10,000
2013 Continuing Resolution	0	0	10,000
2013 CR 0.612% Increase			61
Total 2013 Continuing Resolution	0	0	10,061
Technical Adjustments			
Adjustment - 2013 CR 0.612%	0	0	-61
Total Technical Adjustments	0	0	-61
Base Adjustments			
Non-Personnel Related Decreases	0	0	-10,000
Total Base Adjustments	0	0	-10,000
Total Technical and Base Adjustments	0	0	-10,061
2014 Current Services	0	0	0
Program Changes			
No Increases	0	0	0
No Offsets	0	0	0
Total Program Changes	0	0	0
2014 Total Request	0	0	0
2014 Balance Rescission			0
2014 Total Request (with Balance Rescission)	0	0	0
2012 - 2014 Total Change	0	0	-10,000

Note: The FTE for FY 2012 is actual and for FY 2013 and FY 2014 are estimates.

B. Summary of Requirements

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

Program Activity	2012 Appropriation Enacted			2013 Continuing Resolution *			2014 Technical and Base Adjustments			2014 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Construction	0	0	10,000	0	0	10,061	0	0	-10,061	0	0	0
Total Direct	0	0	10,000	0	0	10,061	0	0	-10,061	0	0	0
Total Direct with Rescission			10,000			10,061			-10,061			0
Reimbursable FTE		0			0			0			0	
Total Direct and Reimb. FTE		0			0			0			0	
Other FTE:												
LEAP		0			0			0			0	
Overtime		0			0			0			0	
Grand Total, FTE		0			0			0			0	

Program Activity	2014 Increases			2014 Offsets			2014 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Construction	0	0	0	0	0	0	0	0	0
Total Direct	0	0	0	0	0	0	0	0	0
Total Direct with Rescission			0			0			0
Reimbursable FTE		0			0			0	
Total Direct and Reimb. FTE		0			0			0	
Other FTE:									
LEAP		0			0			0	
Overtime		0			0			0	
Grand Total, FTE		0			0			0	

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101(c)).

C. Program Changes by Decision Unit

FY 2014 Program Increases/Offsets by Decision Unit

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Program Offsets	Location of Description by Program Activity	Domestic				Foreign			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
Hollow Position Reduction *	Domestic	-514	-50	0	0	0	0	0	0
Information Technology Savings	Domestic	0	0	0	-2,038	0	0	0	0
Administrative Efficiencies	Domestic, International, State & Local	0	0	0	-7,087	0	0	0	-2,789
Total Program Offsets		-514	-50	0	-9,125	0	0	0	-2,789

Program Offsets	Location of Description by Program Activity	State & Local				Total Offsets			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
Hollow Position Reduction *	Domestic	0	0	0	0	-514	-50	0	0
Information Technology Savings	Domestic	0	0	0	0	0	0	0	-2,038
Administrative Efficiencies	Domestic, International, State & Local	0	0	0	-4	0	0	0	-9,880
Total Program Offsets		0	0	0	-4	-514	-50	0	-11,918

* DEA's FY 2014 current position allocation by decision unit is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective
Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Strategic Goal and Strategic Objective	2012 Appropriation Enacted		2013 Continuing Resolution *		2014 Current Services		2014 Increases		2014 Offsets		2014 Total Request	
	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount
Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law												
1.1 Prevent, disrupt, and defeat terrorist operations before they occur.	297	85,868	294	83,232	294	84,179	0	0	0	0	294	84,179
1.2 Prosecute those involved in terrorist acts.	0	0	0	0	0	0	0	0	0	0	0	0
1.3 Combat espionage against the United States.	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 1	297	85,868	294	83,232	294	84,179	0	0	0	0	294	84,179
Goal 2 Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law												
2.1 Combat the threat, incidence, and prevalence of violent crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.2 Prevent and intervene in crimes against vulnerable of violent crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.3 Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.	8,025	1,939,132	8,026	1,954,161	7,998	1,995,691	0	0	0	-11,918	7,998	1,983,773
2.4 Combat corruption, economic crimes, and international organized crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.5 Promote and protect Americans' civil rights.	0	0	0	0	0	0	0	0	0	0	0	0
2.6 Protect the federal fisc and defend the interests of the United States.	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 2	8,025	1,939,132	8,026	1,954,161	7,998	1,995,691	0	0	0	-11,918	7,998	1,983,773
TOTAL	8,321	2,025,000	8,320	2,037,393	8,292	2,079,870	0	0	0	-11,918	8,292	2,067,952

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective
Drug Enforcement Administration
Diversion Control Fee Account
(Dollars in Thousands)

Strategic Goal and Strategic Objective	2012 Appropriation Enacted		2013 Continuing Resolution *		2014 Current Services		2014 Increases		2014 Offsets		2014 Total Request	
	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount
Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law												
1.1 Prevent, disrupt, and defeat terrorist operations before they occur.	0	0	0	0	0	0	0	0	0	0	0	0
1.2 Prosecute those involved in terrorist acts.	0	0	0	0	0	0	0	0	0	0	0	0
1.3 Combat espionage against the United States.	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 1	0	0	0	0	0	0	0	0	0	0	0	0
Goal 2 Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law												
2.1 Combat the threat, incidence, and prevalence of violent crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.2 Prevent and intervene in crimes against vulnerable of violent crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.3 Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.	1,336	322,000	1,347	351,937	1,347	360,917	0	0	0	0	1,347	360,917
2.4 Combat corruption, economic crimes, and international organized crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.5 Promote and protect Americans' civil rights.	0	0	0	0	0	0	0	0	0	0	0	0
2.6 Protect the federal fisc and defend the interests of the United States.	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 2	1,336	322,000	1,347	351,937	1,347	360,917	0	0	0	0	1,347	360,917
TOTAL	1,336	322,000	1,347	351,937	1,347	360,917	0	0	0	0	1,347	360,917

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

D. Resources by DOJ Strategic Goal and Strategic Objective

Resources by Department of Justice Strategic Goal/Objective
Drug Enforcement Administration
Construction
(Dollars in Thousands)

Strategic Goal and Strategic Objective	2012 Appropriation Enacted		2013 Continuing Resolution *		2014 Current Services		2014 Increases		2014 Offsets		2014 Total Request	
	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount	Direct/Reimb FTE	Direct Amount
Goal 1 Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law												
1.1 Prevent, disrupt, and defeat terrorist operations before they occur.	0	0	0	0	0	0	0	0	0	0	0	0
1.2 Prosecute those involved in terrorist acts.	0	0	0	0	0	0	0	0	0	0	0	0
1.3 Combat espionage against the United States.	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 1	0	0	0	0	0	0	0	0	0	0	0	0
Goal 2 Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law												
2.1 Combat the threat, incidence, and prevalence of violent crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.2 Prevent and intervene in crimes against vulnerable of violent crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.3 Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.	0	10,000	0	10,061	0	0	0	0	0	0	0	0
2.4 Combat corruption, economic crimes, and international organized crime.	0	0	0	0	0	0	0	0	0	0	0	0
2.5 Promote and protect Americans' civil rights.	0	0	0	0	0	0	0	0	0	0	0	0
2.6 Protect the federal fisc and defend the interests of the United States.	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 2	0	10,000	0	10,061	0	0	0	0	0	0	0	0
TOTAL	0	10,000	0	10,061	0	0	0	0	0	0	0	0

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
Technical Adjustments			
1 <u>Adjustment - 2013 CR 0.612%:</u> PL 112-175 section 101 (c) provided 0.612% across the board increase above the current rate for the 2013 CR funding level. This adjustment reverses this increase.	0	0	-12,393
Subtotal, Technical Adjustments	0	0	-12,393
Transfers			
1 <u>Joint Automated Booking System:</u> A transfer of \$1,900,000 is included in support of the Department's Justice Automated Booking System program which will be moved to the Working Capital Fund and provided as a billable service in FY 2014.	0	0	1,900
2 <u>JCON and JCON S/TS:</u> A transfer of \$403,000 is included in support of the Department's Justice Consolidated Office Network (JCON) and JCON S/TS programs which will be moved to the Working Capital Fund and provided as a billable service in FY 2014.	0	0	403
3 <u>New Technology:</u> In FY 2014, the funding for the Department's Radio/Interoperability program is being realigned. This change will generate savings and allow the Department to increase our investments in improved technology and interoperability. As part of the realignment, base operations and maintenance (O&M) funding for radios is being transferred back to components. For FY 2014, the O&M transfer amount is \$13,800,000.	0	0	13,800
4 <u>NDIC:</u> The Department plans to realign NDIC core functions and transfer major mission activities including DOMEX (44 positions) and the production of high-priority Strategic Intelligence reports (13 positions) to DEA, with an annual funding increase of \$8,026,000. DOJ will begin the transition in FY 2012. The FY 2014 request represents the ongoing cost for the 57 positions and functions transferred to DEA.	57	0	8,026
5 <u>Office of Information Policy:</u> The component transfers for the Office of Information Policy (OIP) into the General Administration appropriation will centralize appropriated funding and eliminate the current reimbursable financing process. The centralization of the funding is administratively advantageous because it eliminates the paper-intensive reimbursement process.	0	0	-310
6 <u>Professional Responsibility Advisory Office:</u> The component transfers for the Professional Responsibility Advisory Office (PRAO) into the General Administration appropriation will centralize appropriated funding and eliminate the current reimbursable financing process. The centralization of the funding is administratively advantageous because it eliminates the paper-intensive reimbursement process.	0	0	-32
Subtotal, Transfers	57	0	23,787
Pay and Benefits			
1 <u>2014 Pay Raise:</u> This request provides for a proposed 1 percent pay raise to be effective in January of 2014. The amount request, \$7,257,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$5,439,000 for pay and \$1,818,000 for benefits.)	0	0	7,256
2 <u>Annualization of 2013 Pay Raise:</u> This pay annualization represents first quarter amounts (October through December) of the 2013 pay increase of 0.5% included in the 2013 President's Budget. The amount requested \$1,177,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$881,000 for pay and \$296,000 for benefits).	0	0	1,177
5 <u>Employee Compensation Fund:</u> The \$203,000 request reflects anticipated changes in payments to the Department of Labor for injury benefits under the Federal Employee Compensation Act.			203
6 <u>Health Insurance:</u> Effective January 2014, this component's contribution to Federal employees' health insurance premiums increased by 3.9 percent. Applied against the 2013 estimate of \$54,843,000, the additional amount required is \$2,127,000.			2,127
7 <u>Retirement:</u> Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year. The requested increase of \$1,153,000 is necessary to meet our increased retirement obligations as a result of this conversion.			1,153
Subtotal, Pay and Benefits	0	0	11,916

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
Domestic Rent and Facilities			
1 <u>Guard Services:</u> This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The decrease of \$2,073,000 will meet these commitments.			-2,073
2 <u>Moves (Lease Expirations):</u> GSA requires all agencies to pay relocation costs associated with lease expirations. This request provides for the costs associated with new office relocations caused by the expiration of leases in FY 2014.			405
Subtotal, Domestic Rent and Facilities	0	0	-1,668
Other Adjustments			
1 <u>WCF Rate Adjustments:</u> The Department's Working Capital Fund (WCF) provides Department components with centralized administrative and infrastructure support services. The WCF is a cost effective mechanism that eliminates duplication of effort and promotes economies of scale through consolidation and centralization. Inflationary adjustments are required to account for pay adjustments, contractual changes, and information technology maintenance and technology refreshment upgrades. Funding of \$374,000 is required for this account.	0	0	374
2 <u>Land Mobile Radio O&M:</u> While the Department is currently modernizing the FBI radio system to build a shared network, law enforcement components continue to rely on legacy radio systems which require annual operation and maintenance costs associated with circuits, leases, and systems. The increased cost associated with this program is \$2,510,000.	0	0	2,510
3 <u>Spectrum Relocation:</u> DEA has received \$185.5 million for the Spectrum relocation project. In FY 2014, DEA will require \$3,900,000 for operations and maintenance of equipment that operates on the new Spectrum.	0	0	3,900
Subtotal, Other Adjustments	0	0	6,784

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
Foreign Expenses			
1 <u>Education Allowance:</u> For employees stationed abroad, components are obligated to meet the educational expenses incurred by an employee in providing adequate elementary (grades K-8) and secondary (grades 9-12) education for dependent children at post. \$882,000 reflects the increase in cost to support existing staffing levels.			882
2 <u>Government Leased Quarter (GLQ) Requirements:</u> GLQ is a program managed by the Department of State (DOS) and provides government employees stationed overseas with housing and utilities. DOS exercises authority for leases and control of the GLQs and negotiates the lease for components. \$3,019,000 reflects the change in cost to support existing staffing levels.			3,019
3 <u>International Cooperative Administrative Support Services (ICASS):</u> Under the ICASS, an annual charge is made by the Department of State for administrative support based on the overseas staff of each federal agency. This request is based on the projected FY 2013 bill for post invoices and other ICASS costs.			1,876
4 <u>Living Quarter Allowance:</u> The living quarter allowance (LQA) is an allowance granted an employee for the annual cost of adequate living quarters for the employee and the employee's family at a foreign post. The rates are designed to cover the average cost of rent, heat, light, fuel, gas, electricity, water, local taxes, and insurance paid by the employee. Employees who receive the GLQ do not receive LQA and vice versa. The decrease of \$23,000 reflects the change in cost to support existing staffing levels.			-23
5 <u>Overseas Capital Security Cost Sharing (CSCS):</u> The Department of State (DOS) is in the midst of a multi-year capital security construction program, with a plan to build and maintain new diplomatic and consular compounds that meet security requirements set by the Secure Embassies Construction Act. As authorized by P.L. 108-447 and subsequent acts, "all agencies with personnel overseas subject to chief of mission authority...shall participate and provide funding in advance for their share of costs of providing new, safe, secure U.S. diplomatic facilities, without offsets, on the basis of the total overseas presence of each agency as determined by the Secretary of State." Originally authorized for FY2000-2004, the program has been extended annually by OMB and Congress and has also been expanded beyond new embassy construction to include maintenance and renovation costs of the new facilities also. For the purpose of this program, DOS's personnel totals for DOJ include current and projected staffing. The estimated cost to the Department, as provided by DOS, for FY 2014 is \$49,816,918. The DEA currently has 843 positions overseas, and funding of \$7,456,000 is requested for this account.			7,456
6 <u>Post Allowance - Cost of Living Allowance (COLA):</u> For employees stationed abroad, components are obligated to pay for their COLA. COLA is intended to reimburse certain excess costs and to compensate the employee for serving at a post where the cost of living, excluding the cost of quarters and the cost of education for eligible family members, is substantially higher than in the Washington, D.C. area. \$841,000, reflects the increase in cost to support existing staffing levels.			841
Subtotal, Foreign Expenses	0	0	14,051
TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS	57	0	42,477
ATB Reimbursable FTE Changes			
1 <u>ATB Reimbursable FTE Adjustments</u>	-27	-27	
Subtotal, Reimbursable FTE Changes	-27	-27	0

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

			Direct Pos.	Estimate FTE	Amount
Pay and Benefits					
1 <u>2014 Pay Raise:</u> This request provides for a proposed 1 percent pay raise to be effective in January of 2014. The amount request, \$1,532,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$1,207,000 for pay and \$325,000 for benefits).					1,532
2 <u>Annualization of 2013 Pay Raise:</u> This pay annualization represents first quarter amounts (October through December) of the 2013 pay increase of 0.5 percent included in the 2013 President's Budget. The amount requested \$209,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$168,000 for pay and \$41,000 for benefits).					209
3 <u>Annualization of New Positions Approved in 2012:</u> Personnel: This provides for the annualization of 124 new positions appropriated in 2012. Annualization of new positions extends up to 3 years to provide entry level funding in the first year, with a 1 or 2-year progression to a journeyman level. For 2012 increases, this request includes an increase of \$6,809,000 for full-year payroll costs associated with these additional positions.			0	0	6,809
	2012 New Positions	Annualization Required for 2014			
Annual Salary Rate of 124 new Positions	7,204	5,035			
Less Lapse (50%)	-3,602	0			
Net compensation	3,602	5,035			
Associated Employee Benefits	1,719	1,774			
Total Personnel Cost	5,321	6,809			
Travel	8	0			
Transportation of Things	261	0			
Other Rental Payments	27				
Communications/Utilities	302	0			
Printing/Reproduction	3	0			
Other Contractual Services	5,097	0			
25.2 Other Services	4,389	0			
25.3 Purchase of Goods and Services from Government Accounts	401	0			
25.4 Operations and Maintenance of Facilities	0	0			
25.6 Medical Care	307	0			
Supplies and Materials	434	0			
Equipment	8,947	0			
Land and Structures	1,092	0			
Total Non-Personnel Cost	16,171	0			
Total New Position Costs Subject to Annualization	21,492	6,809			
4 <u>Employee Compensation Fund:</u> The \$5,000 request reflects anticipated changes in payments to the Department of Labor for injury benefits under the Federal Employee Compensation Act.					5
5 <u>Health Insurance:</u> Effective January 2014, this component's contribution to Federal employees' health insurance premiums increased by 3.9 percent. Applied against the 2013 estimate of \$8,803,000, the additional amount required is \$341,000.					341
6 <u>Retirement:</u> Agency retirement contributions increase as employees under CSRS retire and are replaced by FERS employees. Based on U.S. Department of Justice Agency estimates, we project that the DOJ workforce will convert from CSRS to FERS at a rate of 1.3 percent per year. The requested increase of \$149,000 is necessary to meet our increased retirement obligations as a result of this conversion.					149
					149
Subtotal, Pay and Benefits			0	0	9,045
Domestic Rent and Facilities					

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
1 <u>Guard Services:</u> This includes Department of Homeland Security (DHS) Federal Protective Service charges, Justice Protective Service charges and other security services across the country. The decrease of \$230,000 will meet these commitments.			-230
2 <u>Moves (Lease Expirations):</u> GSA requires all agencies to pay relocation costs associated with lease expirations. This request provides for the costs associated with new office relocations caused by the expiration of leases in FY 2014.			45
Subtotal, Domestic Rent and Facilities	0	0	-185

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
Foreign Expenses			
1 <u>Education Allowance:</u> For employees stationed abroad, components are obligated to meet the educational expenses incurred by an employee in providing adequate elementary (grades K-8) and secondary (grades 9-12) education for dependent children at post. \$17,000 reflects the increase in cost to support existing staffing levels.			17
2 <u>Government Leased Quarter (GLQ) Requirements:</u> GLQ is a program managed by the Department of State (DOS) and provides government employees stationed overseas with housing and utilities. DOS exercises authority for leases and control of the GLQs and negotiates the lease for components. \$59,000 reflects the change in cost to support existing staffing levels.			59
3 <u>International Cooperative Administrative Support Services (ICASS):</u> Under the ICASS, an annual charge is made by the Department of State for administrative support based on the overseas staff of each federal agency. This request is based on the projected FY 2013 bill for post invoices and other ICASS costs.			27
6 <u>Post Allowance - Cost of Living Allowance (COLA):</u> For employees stationed abroad, components are obligated to pay for their COLA. COLA is intended to reimburse certain excess costs and to compensate the employee for serving at a post where the cost of living, excluding the cost of quarters and the cost of education for eligible family members, is substantially higher than in the Washington, D.C. area. \$17,000, reflects the increase in cost to support existing staffing levels.			17
Subtotal, Foreign Expenses	0	0	120
TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS	0	0	8,980

E. Justification for Technical and Base Adjustments

Justifications for Technical and Base Adjustments

Drug Enforcement Administration
 Construction
 (Dollars in Thousands)

	Direct Pos.	Estimate FTE	Amount
Technical Adjustments			
1 <u>Adjustment - 2013 CR 0.612%:</u> PL 112-175 section 101 (c) provided 0.612% across the board increase above the current rate for the 2013 CR funding level. This adjustment reverses this increase.	0	0	-61
Subtotal, Technical Adjustments	0	0	-61
Non-Personnel Related Decreases			
1 <u>Non-recur of FY 2012 Increase</u>	0	0	-10,000
Subtotal, Non-Recur Non-Personnel	0	0	-10,000
TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS	0	0	-10,061

F: Crosswalk of 2012 Availability

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

Program Activity	2012 Appropriation Enacted w/o Balance Rescission			Balance Rescission			Reprogramming/Transfers			Carryover	Recoveries/Refunds	2012 Actual		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Amount	Amount	Direct Pos.	Actual FTE	Amount
International Enforcement	1,074	994	417,670	0	0	-7,500	0	0	21,292	18,524	2,576	1,074	994	452,561
Domestic Enforcement	7,199	5,954	1,601,690	0	0	0	0	0	64,291	37,632	20,193	7,199	5,954	1,723,806
State and Local Assistance	31	20	5,640	0	0	-2,500	0	0	1,727	994	1,233	31	20	7,094
Total Direct	8,304	6,968	2,025,000	0	0	-10,000	0	0	87,310	57,150	24,001	8,304	6,968	2,183,462
Reimbursable FTE		1,353			0			0					1,353	
Total FTE		8,321			0			0					8,321	
Other FTE														
LEAP		904			0			0					904	
Overtime		91			0			0					91	
Total Compensable FTE		9,316			0			0					9,316	

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

Reprogramming/Transfers: DEA total \$87,310,339:

- 1) \$60,056,201 has been transferred from expired accounts to DEA's no-year account;
- 2) \$16,095,525 has been transferred from HIDTA to DEA;
- 3) \$12,500,000 has been transferred from COPS to DEA;
- 4) \$213,793 has been transferred from DEA to HIDTA;
- 5) \$666,488 has been transferred from DEA to the WMO;
- 6) \$438,658 has been transferred from DEA to DOS;
- 7) \$22,448 has been transferred from DEA to the WCF

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

Recoveries/Refunds: DEA has recovered and collected \$24,001,199 in prior year obligations from S&E no-year, S&E multi-year, and VCRP appropriations.

F: Crosswalk of 2012 Availability

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

Program Activity	FY 2012 Actual Collections			Balance Rescission			Reprogramming/Transfers			Carryover	Recoveries/R efunds	2012 Actual		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Amount	Amount	Pos.	FTE	Amount
Diversion Control Fee Account	1,497	1,336	294,223	0	0	0	0	0	0	41,727	-10,666	1,497	1,336	325,284
Total Direct	1,497	1,336	294,223	0	0	0	0	0	0	41,727	-10,666	1,497	1,336	325,284
Reimbursable FTE														0
Total FTE		1,336			0			0					1,336	
Other FTE														
LEAP		63			0			0					63	
Overtime		19			0			0					19	
Grand Total, FTE		1,418			0			0					1,418	

Collections: In FY 2012, fee collections were \$294,223,000 (after the first \$15 million is deposited into the Treasury General Account), which is \$27,777,000 below the FY 2012 budget amount of \$322,000,000.
 A new fee rule was published on March 15, 2012. Collections under the new fee structure began 30 days after publication.

Recoveries/Refunds: DEA recovered 10,422,000 in the Diversion Control Fee Account in FY 2012.

F: Crosswalk of 2012 Availability

Crosswalk of 2012 Availability

Drug Enforcement Administration

Construction Account

(Dollars in Thousands)

Program Activity	2012 Appropriation Enacted w/o Balance Rescission			Balance Rescission			Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2012 Actual		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount	Amount	Amount	Direct Pos.	Actual FTE	Amount
Construction Account	0	0	10,000	0	0	0	0	0	0	0	1	0	0	10,001
Total Direct	0	0	10,000	0	0	0	0	0	0	0	1	0	0	10,001
Reimbursable FTE		0			0			0					0	
Total Direct and Reimb. FTE		0			0			0					0	
Other FTE:														
LEAP		0			0			0					0	
Overtime		0			0			0					0	
Grand Total, FTE		0			0			0					0	

Recoveries/Refunds: DEA had \$1,185 in refunds for FY 2012.

G: Crosswalk of 2013 Availability

Crosswalk of 2013 Availability

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Program Activity	FY 2013 Continuing Resolution			Supplemental Appropriation	Reprogramming/Transfers			Carryover	Recoveries/Refunds	2013 Availability		
	Direct Pos.	Estim. FTE	Amount	Amount	Direct Pos.	Estim. FTE	Amount	Amount	Amount	Direct Pos.	Estim. FTE	Amount
International Enforcement	1,074	946	420,200	0	0	0	26,112	11,140	1,185	1,074	946	458,638
Domestic Enforcement	7,199	6,001	1,611,519	1,000	0	0	49,503	27,657	573,708	7,199	6,001	2,263,387
State and Local Assistance	31	22	5,674	0	0	0	320	844	25,334	31	22	32,172
Total	8,304	6,969	2,037,393	1,000	0	0	75,935	39,640	600,228	8,304	6,969	2,754,196
Balance Rescission	0	0	-10,000									-10,000
Total Direct with Rescission			2,027,393									2,744,196
Reimbursable FTE		1,351				0		0			1,351	
Total Direct and Reimb. FTE		8,320				0		39,640			8,320	
Other FTE:												
LEAP		905				0		0			905	
Overtime		91				0		0			91	
Grand Total, FTE		9,316				0		39,640			9,316	

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

Reprogramming/Transfers: DEA totals \$75,934,950:

- 1) \$62,000,000 has been transferred from expired accounts to DEA's no-year account;
- 2) \$7,838,700 has been transferred from HIDTA to DEA;
- 3) \$6,096,250 has been transferred from COPS to DEA;

Carryover: DEA has carried forward \$39,640,469 in unobligated balances from FY 2012 to FY 2013 from S&E no-year, S&E multi-year, and VCRP appropriations.

Recoveries/Refunds: DEA has recovered and collected \$26,976,254 and anticipates the recovery and collection of \$9,810,084 in prior year obligations from S&E no-year, S&E multi-year, and VCRP appropriations.

G: Crosswalk of 2013 Availability

Crosswalk of 2013 Availability

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

Program Activity	FY 2013 Projected Collections			Supplemental Appropriation	Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2013 Availability		
	Direct Pos.	Estim. FTE	Amount	Amount	Direct Pos.	Estim. FTE	Amount	Amount	Amount	Direct Pos.	Estim. FTE	Amount
Diversion Control Fee Account	1,497	1,347	351,937	0	0	0	0	52,619	14,034	1,497	1,347	418,590
Total Direct	1,497	1,347	351,937	0	0	0	0	52,619	14,034	1,497	1,347	418,590
Balance Rescission			0									0
Total Direct with Rescission			351,937									418,590
Reimbursable FTE												0
Total Direct and Reimb. FTE		1,347				0					1,347	
Other FTE:												
LEAP		66				0					66	
Overtime		19				0					19	
Grand Total, FTE		1,432				0					1,432	

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

Collections: In FY 2013, fee collections are estimated at \$336,146,000 (after the first \$15 million is deposited into the Treasury General Account), which is \$15,791,000 below the FY 2013 budget amount of \$351,937,000.

A new fee rule was published on March 15, 2013. Collections under the new fee structure began 30 days after publication.

Recoveries: DEA's apportionment for recoveries in the Diversion Control Fee Account is \$20,000,000 but anticipates it will recover \$15,000,000 in FY 2013.

G. Crosswalk of 2013 Availability

Crosswalk of 2013 Availability
Drug Enforcement Administration
Construction Account
(Dollars in Thousands)

Program Activity	FY 2013 Continuing Resolution			Supplemental Appropriation Amount	Reprogramming/Transfers			Carryover Amount	Recoveries/ Refunds Amount	2013 Availability		
	Direct Pos.	Estim. FTE	Amount		Direct Pos.	Estim. FTE	Amount			Direct Pos.	Estim. FTE	Amount
Construction	0	0	10,612	0	0	0	0	1	10	0	0	10,623
Total Direct	0	0	10,612	0	0	0	0	1	10	0	0	10,623
Balance Rescission			0									0
Total Direct with Rescission			10,612									10,623
Reimbursable FTE		0				0		0			0	
Total Direct and Reimb. FTE		0				0		1			0	
Other FTE:												
LEAP		0				0		0			0	
Overtime		0				0		0			0	
Grand Total, FTE		0				0		1			0	

*The 2013 Continuing Resolution includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

Carryover: DEA has carried forward \$1,185 in unobligated balances from FY 2012 to FY 2013 from the Construction appropriation.

Recoveries/Refunds: DEA anticipates the recovery and collection of \$10,000 in prior year obligations from the Construction appropriation.

H: Summary of Reimbursable Resources

Summary of Reimbursable Resources

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Collections by Source	2012 Actual			2013 Planned			2014 Request			Increase/Decrease		
	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount
Interagency Crime and Drug Enforcement	1,310	1,292	233,180	1,310	1,291	235,218	1,283	1,264	230,576	-27	-27	-4,642
Organized Crime Drug Enforcement	1,237	1,237	190,857	1,237	1,233	190,012	1,210	1,206	185,278	-27	-27	-4,734
Regional Drug Intelligence Squads	72	54	10,257	72	57	13,139	72	57	13,231	0	0	92
Other Interagency Crime and Drug Enforcement	1	1	32,067	1	1	32,067	1	1	32,067	0	0	0
Assets Forfeiture Fund	0	0	206,365	0	0	215,628	0	0	215,628	0	0	0
Department of Defense	4	4	8,284	4	4	8,284	3	3	8,014	-1	-1	-270
Department of Homeland Security	0	0	3,396	0	0	3,396	0	0	3,396	0	0	0
Department of Justice	0	0	33,225	0	0	33,225	0	0	45,725	0	0	12,500
Department of State	69	57	31,246	69	56	48,106	69	56	48,106	0	0	0
Department of Treasury	0	0	250	0	0	250	0	0	250	0	0	0
Misc. Government	0	0	4,172	0	0	4,172	0	0	4,172	0	0	0
Misc. Non-Government	0	0	212	0	0	212	0	0	212	0	0	0
Office of National Drug Control Policy	0	0	737	0	0	737	0	0	737	0	0	0
Budgetary Resources	1,383	1,353	521,068	1,383	1,351	549,228	1,355	1,323	556,816	-28	-28	7,588

Obligations by Program Activity	2012 Actual			2013 Planned			2014 Request			Increase/Decrease		
	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount
Domestic Enforcement	1,311	1,293	463,686	1,311	1,292	474,168	1,284	1,265	469,526	-27	-27	-4,642
International Enforcement	72	60	39,895	72	59	56,792	71	58	56,522	-1	-1	-270
State & Local Assistance	0	0	17,488	0	0	18,268	0	0	30,768	0	0	12,500
Budgetary Resources	1,383	1,353	521,068	1,383	1,351	549,228	1,355	1,323	556,816	-28	-28	7,588

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Category	2012 Appropriation Enacted with Balance Rescissions		2013 Continuing Resolution		2014 Request				
	Direct Pos.	Reimb. Pos.	Direct Pos.	Reimb. Pos.	ATBs	Program Increases	Program Offsets	Total Direct Pos.	Total Reimb. Pos.
Miscellaneous Operations (010-099)	49	0	49	0	0	0	0	49	0
Security Specialists (080)	77	0	77	0	0	0	0	77	0
Social Sciences Series (100-199)	5	0	5	0	0	0	0	5	0
Intelligence Series (132)	825	83	825	83	49	0	0	874	83
Personnel Management (200-299)	116	275	116	275	0	0	0	116	265
Clerical and Office Services (300-399)	1,570	0	1,570	0	8	0	0	1,578	0
Accounting and Budget (500-599)	348	0	348	0	0	0	0	348	0
Medical, Dental and Public Health (600-699)	1	0	1	0	0	0	0	1	0
Engineering and Architecture Group (800-899)	6	0	6	0	0	0	0	6	0
Attorneys (905)	71	0	71	0	0	0	0	71	0
Paralegals / Other Law (900-998)	33	0	33	0	0	0	0	33	0
Information & Arts (1000-1099)	34	0	34	0	0	0	0	34	0
Business & Industry (1100-1199)	71	0	71	0	0	0	0	71	0
Physical & Sciences Group (1300-1399)	6	0	6	0	0	0	0	6	0
Chemist (1320)	330	0	330	0	0	0	0	330	0
Library (1400-1499)	14	0	14	0	0	0	0	14	0
Mathematics & Statistics (1500-1599)	7	0	7	0	0	0	0	7	0
Equipment/Facilities Services (1600-1699)	11	0	11	0	0	0	0	11	0
Education Group (1700-1799)	11	0	11	0	0	0	0	11	0
General Investigative Series (1801)	0	0	0	0	0	0	0	0	0
Miscellaneous Inspectors Series (1802)	376	0	376	0	0	0	0	376	0
Criminal Investigative Series (1811)	4,053	1,025	4,053	1,025	0	0	-50	4,003	1,007
Quality Assurance Series (1900-1999)	6	0	6	0	0	0	0	6	0
Supply Services (2000-2099)	48	0	48	0	0	0	0	48	0
Transportation (2100-2199)	18	0	18	0	0	0	0	18	0
Information Technology Mgmt (2210)	204	0	204	0	0	0	0	204	0
Motor Vehicle Operations (5703)	1	0	1	0	0	0	0	1	0
Ungraded (Wage Grade & Foreign Service Local)	13	0	13	0	0	0	0	13	0
TBD	0	0	0	0	0	0	-464	-464	0
Total	8,304	1,383	8,304	1,383	57	0	-514	7,847	1,355
Headquarters (Washington, D.C.)	1,717	135	1,717	135	51	0	0	1,768	135
U.S. Field	5,829	1,176	5,829	1,176	6	0	0	5,835	1,149
Foreign Field	758	72	758	72	0	0	0	758	71
TBD *	0	0	0	0	0	0	-514	-514	0
Total	8,304	1,383	8,304	1,383	57	0	-514	7,847	1,355

* DEA's FY 2014 current position allocation by location is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

Category	2012 Appropriation Enacted with Balance Rescissions		2013 Continuing Resolution		2014 Request				
	Direct Pos.	Reimb. Pos.	Direct Pos.	Reimb. Pos.	ATBs	Program Increases	Program Offsets	Total Direct Pos.	Total Reimb. Pos.
Miscellaneous Operations (010-099)	2	0	2	0	0	0	0	2	0
Security Specialists (080)	0	0	0	0	0	0	0	0	0
Intelligence Series (132)	96	0	96	0	0	0	0	96	0
Personnel Management (200-299)	7	0	7	0	0	0	0	7	0
Clerical and Office Services (300-399)	270	0	270	0	0	0	0	270	0
Biological Sciences (400-499)	3	0	3	0	0	0	0	3	0
Accounting and Budget (500-599)	6	0	6	0	0	0	0	6	0
Medical, Dental and Public Health (600-799)	12	0	12	0	0	0	0	12	0
Engineering and Architecture Group (800-899)	2	0	2	0	0	0	0	2	0
Attorneys (905)	21	0	21	0	0	0	0	21	0
Legal Instruments Examining Series (963)	11	0	11	0	0	0	0	11	0
Paralegals / Other Law (900-998)	7	0	7	0	0	0	0	7	0
Information & Arts (1000-1099)	1	0	1	0	0	0	0	1	0
Business & Industry (1100-1199)	1	0	1	0	0	0	0	1	0
Physical & Sciences Group (1300-1399)	5	0	5	0	0	0	0	5	0
Chemist (1320)	26	0	26	0	0	0	0	26	0
Library (1400-1499)	4	0	4	0	0	0	0	4	0
Mathematics & Statistics (1500-1599)	1	0	1	0	0	0	0	1	0
Equipment/Facilities Services (1600-1699)	0	0	0	0	0	0	0	0	0
Education Group (1700-1799)	2	0	2	0	0	0	0	2	0
General Inspectors Series (1801)	626	0	626	0	0	0	0	626	0
Miscellaneous Inspectors Series (1802)	67	0	67	0	0	0	0	67	0
Criminal Investigative Series (1811)	291	0	291	0	0	0	0	291	0
Quality Assurance Series (1900-1999)	0	0	0	0	0	0	0	0	0
Supply Services (2000-2099)	0	0	0	0	0	0	0	0	0
Transportation (2100-2199)	0	0	0	0	0	0	0	0	0
Information Technology Mgmt (2210)	32	0	32	0	0	0	0	32	0
Motor Vehicle Operations (5703)	0	0	0	0	0	0	0	0	0
Ungraded (Wage Grade & Foreign Service Local)	4	0	4	0	0	0	0	4	0
Total	1,497	0	1,497	0	0	0	0	1,497	0
Headquarters (Washington, D.C.)	331	0	331	0	0	0	0	331	0
U.S. Field	1,153	0	1,153	0	0	0	0	1,153	0
Foreign Field	13	0	13	0	0	0	0	13	0
Total	1,497	0	1,497	0	0	0	0	1,497	0

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Grades and Object Class	Domestic						Foreign		State & Local		Total Program Changes	
	Hollow Position Reduction		Administrative Efficiencies		Information Technology Savings		Administrative Efficiencies		Administrative Efficiencies			
	Direct Pos.	Amount	Direct Pos.	Amount	Direct Pos.	Amount	Direct Pos.	Amount	Direct Pos.	Amount	Direct Pos.	Amount
Grades TBD *	-514	0	0	0	0	0	0	0	0	0	0	0
Total Positions and Annual Amount	-514	0	0	0	0	0	0	0	0	0	0	0
Lapse (-)	0	0	0	0	0	0	0	0	0	0	0	0
11.5 Other Personnel Compensation		0		0		0		0		0		0
Total FTEs and Personnel Compensation	-514	0	0	0	0	0	0	0	0	0	0	0
13.0 Benefits for former personnel		0		0		0		0		0		0
21.0 Travel and Transportation of Persons		0		-853		0		-1,016		-1		-1,870
22.0 Transportation of Things		0		0		0		0		0		0
23.1 Rental Payments to GSA		0		0		0		0		0		0
23.3 Communications, Utilities, and Miscellaneous Charges		0		0		0		0		0		0
24.0 Printing and Reproduction		0		-52		0		-3		0		-55
25.1 Advisory and Assistance Services		0		-3,764		-1,153		-1,088		-1		-6,006
25.2 Other Services from Non-Federal Sources		0		0		-400		0		0		-400
25.3 Other Goods and Services from Federal Sources		0		0		-275		0		0		-275
25.5 Research and Development Contracts		0		0		0		0		0		0
25.7 Operation and Maintenance of Equipment		0		-141		0		-73		0		-214
26.0 Supplies and Materials		0		-1,887		-10		-326		-2		-2,225
31.0 Equipment		0		-390		-200		-283		0		-873
Total Program Change Requests	-514	0	0	-7,087	0	-2,038	0	-2,789	0	-4	-514	-11,918

* DEA's FY 2014 current position allocation by grade and decision unit is tentative. DEA will determine the final allocation of the proposed hollow position reduction when the FY 2014 appropriation is enacted based on DEA's priorities and staffing requirements at that time.

K. Summary of Requirements by Grade

Summary of Requirements by Grade

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Grades and Salary Ranges				2012 Enacted		2013 Continuing Resolution		2014 Request		Increase/Decrease	
				Direct Pos.	Amount	Direct Pos.	Amount	Direct Pos.	Amount	Direct Pos.	Amount
EX	\$	145,700	-	199,700	2		2		2		0
SES/SL	\$	119,554	-	179,700	72		72		72		0
GS-15	\$	123,758	-	155,500	395		395		395		0
GS-14	\$	105,211	-	136,771	1,277		1,277		1,277		0
GS-13	\$	89,033	-	115,742	3,767		3,767		3,816		49
GS-12	\$	74,872	-	97,333	715		715		715		0
GS-11	\$	62,467	-	81,204	427		427		427		0
GS-10	\$	56,857	-	73,917	19		19		19		0
GS-9	\$	51,630	-	67,114	435		435		435		0
GS-8	\$	46,745	-	60,765	374		374		382		8
GS-7	\$	42,209	-	54,875	582		582		582		0
GS-6	\$	37,983	-	49,375	67		67		67		0
GS-5	\$	37,075	-	44,293	59		59		59		0
GS-4	\$	30,456	-	39,590	61		61		61		0
GS-3	\$	27,130	-	35,269	36		36		36		0
GS-2	\$	24,865	-	31,292	16		16		16		0
GS-1	\$	22,115	-	27,663	2		2		2		0
TBD					0		0		-514		-514
Total, Appropriated Positions					8,304		8,304		7,847		-457
Average SES Salary					165,859		165,859		165,859		
Average GS Salary					91,149		91,149		91,149		
Average GS Grade					12		12		12		

L. Summary of Requirements by Object Class

Summary of Requirements by Object Class

Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Object Class	2012 Actual		2013 Availability *		2014 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	6,968	639,028	6,969	646,631	6,969	631,881	0	-14,750
11.3 Other than Full-Time Permanent	0	7,523	0	8,179	0	8,187	0	8
11.5 Other Personnel Compensation	995	111,137	996	112,202	996	116,447	0	4,245
<i>Overtime</i>	91		91		91		0	0
<i>Other Compensation</i>	904		905		905		0	0
11.8 Special Personal Services Payments	0	106	0	114	0	113	0	-1
Total	7,963	757,794	7,965	767,126	7,965	756,628	0	-10,498
Other Object Classes								
12.0 Personnel Benefits		334,807		334,686		346,211		11,525
13.0 Benefits for former personnel		0		1		1		0
21.0 Travel and Transportation of Persons		35,315		37,831		33,795		-4,036
22.0 Transportation of Things		10,829		11,522		11,465		-57
23.1 Rental Payments to GSA		209,567		214,643		213,337		-1,306
23.2 Rental Payments to Others		37,057		38,092		46,487		8,395
23.3 Communications, Utilities, and Miscellaneous Charges		62,681		64,776		64,909		133
24.0 Printing and Reproduction		1,246		964		907		-57
25.1 Advisory and Assistance Services		145,819		115,492		99,240		-16,252
25.2 Other Services from Non-Federal Sources		166,111		167,392		151,862		-15,530
25.3 Other Goods and Services from Federal Sources		88,592		108,149		117,672		9,523
25.4 Operation and Maintenance of Facilities		32,537		28,421		24,272		-4,149
25.5 Research and Development Contracts		0		0		0		0
25.6 Medical Care		3,400		4,107		4,082		-25
25.7 Operation and Maintenance of Equipment		98,675		91,171		88,184		-2,987
25.8 Subsistence and Support of Persons		165		182		181		-1
26.0 Supplies and Materials		46,158		52,576		43,060		-9,516
31.0 Equipment		95,579		98,191		77,817		-20,374
32.0 Land and Structures		13,431		16,888		17,190		302
41.0 Grants, Subsidies, and Contributions		0		0		0		0
42.0 Insurance Claims and Indemnities		587		656		652		-4
Total Obligations		2,140,350		2,152,866		2,097,952		-54,914
Subtract - Unobligated Balance, Start-of-Year		-57,150		-39,640		0		39,640
Subtract - Transfers/Reprogramming		-77,333		-41,833		-30,000		11,833
Subtract - Recoveries/Refunds		-30,286		-33,000		0		33,000
Add - Unobligated End-of-Year, Available		39,640		0		0		0
Add - Unobligated End-of-Year, Expiring		9,778		0		0		0
Total Direct Requirements		2,025,000		2,038,393		2,067,952		29,559
Reimbursable FTE								
Full-Time Permanent	1,353		1,351		1,323		-28	
23.1 Rental Payments to GSA (Reimbursable)		5,743		7,343		7,343		0
25.4 Other Goods and Services from Federal Sources - DHS Security (Reimbursable)		285		273		273		0

*The 2013 Availability includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

L. Summary of Requirements by Object Class

Summary of Requirements by Object Class

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

Object Class	2012 Actual		2013 Availability *		2014 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	1,336	129,684	1,347	143,946	1,347	149,796	0	5,850
11.3 Other than Full-Time Permanent	0	1,406	0	1,411	0	1,426	0	15
11.5 Other Personnel Compensation	82	9,109	85	10,500	85	11,042	0	542
<i>Overtime</i>	19		19		19		0	0
<i>Other Compensation</i>	63		66		66		0	0
11.8 Special Personal Services Payments	0	48	0	48	0	48	0	0
Total	1,418	140,247	1,432	155,905	1,432	162,312	0	6,407
Other Object Classes								
12.0 Personnel Benefits		38,489		45,986		48,658		2,672
13.0 Benefits for former personnel		0		0		0		0
21.0 Travel and Transportation of Persons		3,952		5,874		5,874		0
22.0 Transportation of Things		530		1,201		1,201		0
23.1 Rental Payments to GSA		24,661		27,888		27,888		0
23.2 Rental Payments to Others		678		1,472		1,531		59
23.3 Communications, Utilities, and Miscellaneous Charges		5,483		7,611		7,611		0
24.0 Printing and Reproduction		4,358		5,032		5,032		0
25.1 Advisory and Assistance Services		34,791		44,873		44,873		0
25.2 Other Services from Non-Federal Sources		9,835		15,427		15,427		0
25.3 Other Goods and Services from Federal Sources		6,629		8,682		8,479		-203
25.4 Operation and Maintenance of Facilities		2,485		3,174		3,174		0
25.5 Research and Development Contracts		4		4		4		0
25.6 Medical Care		453		339		339		0
25.7 Operation and Maintenance of Equipment		7,105		9,223		9,223		0
25.8 Subsistence and Support of Persons		23		27		27		0
26.0 Supplies and Materials		5,372		7,070		7,070		0
31.0 Equipment		7,619		9,831		9,831		0
32.0 Land and Structures		1,283		2,313		2,358		45
41.0 Grants, Subsidies, and Contributions		0		0		0		0
42.0 Insurance Claims and Indemnities		0		5		5		0
Total Obligations		293,997		351,937		360,917		8,980
Subtract - Unobligated Balance, Start-of-Year		-41,727		-52,619		-50,572		2,047
Subtract - Transfers/Reprogramming		0		0		0		0
Subtract - Recoveries/Refunds		-10,666		-13,744		-13,744		0
Add - Unobligated End-of-Year, Available		52,619		50,572		59,378		8,806
Add - Unobligated End-of-Year, Expiring		0		0		0		0
Total Direct Requirements		294,223		336,146		355,979		19,833
Reimbursable FTE								
Full-Time Permanent	0		0		0		0	
23.1 Rental Payments to GSA (Reimbursable)		0		0		0		0
25.3 Other Goods and Services from Federal Sources - DHS Security (Reimbursable)		0		0		0		0

*The 2013 Availability includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

L. Summary of Requirements by Object Class

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

Object Class	2012 Actual		2013 Availability *		2014 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	0	0	0	0	0	0	0	0
11.3 Other than Full-Time Permanent	0	0	0	0	0	0	0	0
11.5 Other Personnel Compensation	0	0	0	0	0	0	0	0
<i>Overtime</i>	0	0	0	0	0	0	0	0
<i>Other Compensation</i>	0	0	0	0	0	0	0	0
11.8 Special Personal Services Payments	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Other Object Classes								
12.0 Personnel Benefits		0		0		0		0
13.0 Benefits for former personnel		0		0		0		0
21.0 Travel and Transportation of Persons		0		0		0		0
22.0 Transportation of Things		0		0		0		0
23.1 Rental Payments to GSA		0		0		0		0
23.2 Rental Payments to Others		0		0		0		0
23.3 Communications, Utilities, and Miscellaneous Charges		0		0		0		0
24.0 Printing and Reproduction		0		0		0		0
25.1 Advisory and Assistance Services		0		0		0		0
25.2 Other Services from Non-Federal Sources		0		0		0		0
25.3 Other Goods and Services from Federal Sources		0		0		0		0
25.4 Operation and Maintenance of Facilities		0		0		0		0
25.5 Research and Development Contracts		0		0		0		0
25.6 Medical Care		0		0		0		0
25.7 Operation and Maintenance of Equipment		0		0		0		0
25.8 Subsistence and Support of Persons		0		0		0		0
26.0 Supplies and Materials		0		0		0		0
31.0 Equipment		0		0		0		0
32.0 Land and Structures		10,000		10,062		0		-10,062
41.0 Grants, Subsidies, and Contributions		0		0		0		0
42.0 Insurance Claims and Indemnities		0		0		0		0
Total Obligations		10,000		10,062		0		-10,062
Subtract - Unobligated Balance, Start-of-Year		0		-1		0		1
Subtract - Transfers/Reprogramming		0		0		0		0
Subtract - Recoveries/Refunds		-1		0		0		0
Add - Unobligated End-of-Year, Available		1		0		0		0
Add - Unobligated End-of-Year, Expiring		0		0		0		0
Total Direct Requirements		10,000		10,061		0		-10,061
Reimbursable FTE								
Full-Time Permanent	0		0		0		0	
23.1 Rental Payments to GSA (Reimbursable)		0		0		0		0
25.3 Other Goods and Services from Federal Sources - DHS Security (Reimbursable)		0		0		0		0

*The 2013 Availability includes the 0.612% funding provided by the Continuing Appropriations Resolution, 2013 (P.L. 112-175, Section 101 (c)).

M: Financial Analysis

Financial Analysis Drug Enforcement Administration Diversion Control Fee Account

(Dollars in Thousands)

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Projected*	FY 2014 Projected*
<u>Requested Budget</u>	\$212,078	\$239,249	\$244,450	\$251,790	\$290,304	\$322,000	\$351,937	\$360,917
<u>Fiscal Year Financial Status:</u>								
1 Unobligated Balance Carried Forward from Prior Year	\$36,120	\$64,079	\$60,423	\$87,806	\$68,090	\$41,727	\$52,619	\$50,572
2 Receipt Collections	\$219,181	\$235,904	\$249,512	\$245,836	\$257,674	\$309,223	\$351,146	\$370,979
3 Fund Transfer from Salaries and Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 Treasury	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>
5 <i>Net Receipt Collections</i>	\$204,181	\$220,904	\$234,512	\$230,836	\$242,674	\$294,223	\$336,146	\$355,979
6 Other Collections	\$118	\$235	\$158	\$209	\$534	\$244	\$244	\$244
7 Obligations (Actual / Projected)	-\$179,307	-\$228,277	-\$216,297	-\$267,997	-\$283,501	-\$293,997	-\$351,937	-\$360,917
8 Recoveries from Deobligations	<u>\$2,967</u>	<u>\$3,482</u>	<u>\$9,010</u>	<u>\$17,235</u>	<u>\$13,930</u>	<u>\$10,422</u>	<u>\$13,500</u>	<u>\$13,500</u>
9 <i>Net Obligations</i>	-\$176,340	-\$224,795	-\$207,287	-\$250,761	-\$269,571	-\$283,575	-\$338,437	-\$347,417
10 Congressional Rescission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENDING BALANCE (Lines 1+5+6+9+10)	\$64,079	\$60,423	\$87,806	\$68,090	\$41,727	\$52,619	\$50,572	\$59,378