
U.S. Department of Justice

Drug Enforcement Administration

FY 2015
Performance Budget
Congressional Submission



Table of Contents

- I. Overview1**
- II. Summary of Program Changes27**
- III. Appropriations Language and Analysis of Appropriations Language.....29**
- IV. Program Activity Justification.....31**
 - A. International Enforcement.....31
 - 1. Program Description31
 - 2. Performance Tables37
 - 3. Performance, Resources, and Strategies41
 - B. Domestic Enforcement.....49
 - 1. Program Description49
 - 2. Performance Tables57
 - 3. Performance, Resources, and Strategies61
 - C. State & Local Assistance.....71
 - 1. Program Description71
 - 2. Performance Tables75
 - 3. Performance, Resources, and Strategies77
 - D. Diversion Control.....79
 - 1. Program Description79
 - 2. Performance Tables81
 - 3. Performance, Resources, and Strategies85
- V. Program Offsets by Item**
 - A. Miscellaneous Program and Administrative Reductions93
- VI. Exhibits**
 - A. Organizational Chart
 - B. Summary of Requirements
 - C. FY 2015 Program Changes by Decision Unit
 - D. Resources by DOJ Strategic Goal/Objective
 - E. Justification for Technical and Base Adjustments
 - F. Crosswalk of 2013 Availability
 - G. Crosswalk of 2014 Availability
 - H. Summary of Reimbursable Resources
 - I. Detail of Permanent Positions by Category

- J. Financial Analysis of Program Changes
- K. Summary of Requirements by Object Class
- L. Status of Congressionally Requested Studies, Reports, and Evaluations
- M. Financial Analysis – Diversion Control Fee Account

I. Overview for the Drug Enforcement Administration (DEA)

Introduction

Established in 1973 by President Nixon, 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 2015 budget request totals \$2,384,680,000. This request includes \$366,680,000 derived from fees, and provides for 8,071 Full-Time Equivalents (FTE) and 9,694 positions (including 4,249 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>.

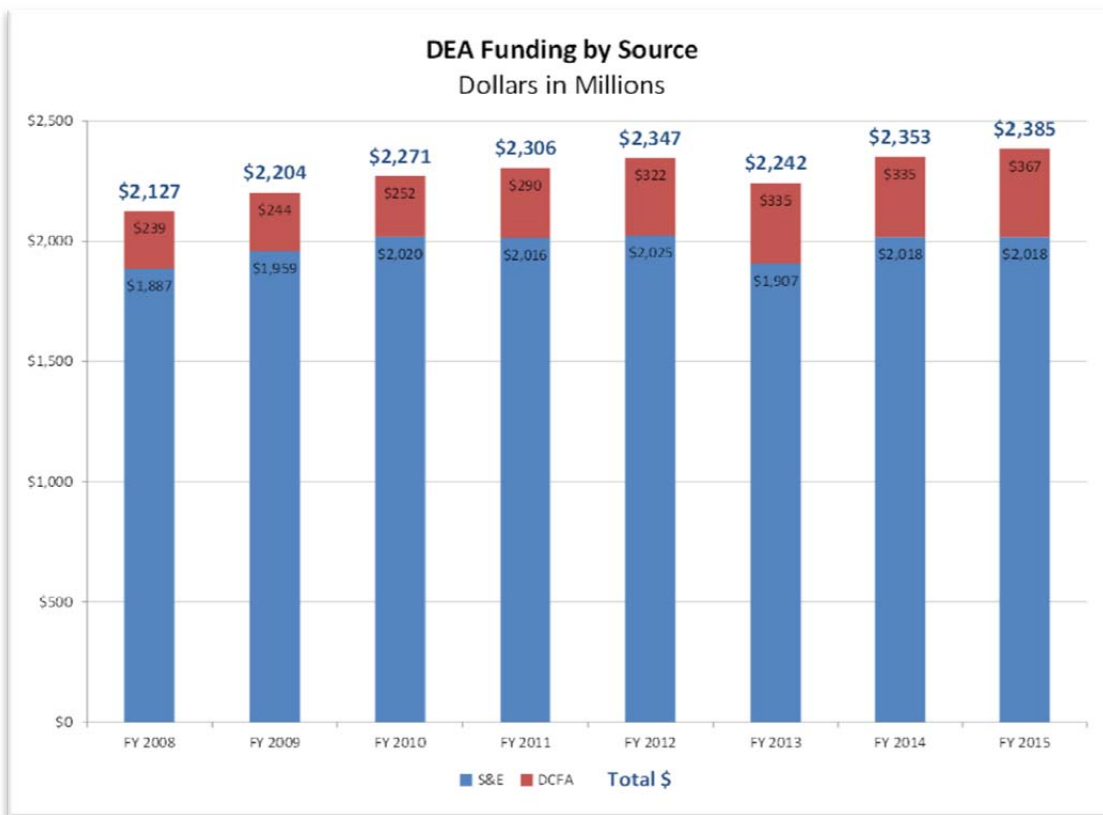
As a single mission agency with the Federal responsibility for U.S. drug enforcement activities, DEA focuses on the organizations and principal members of organizations involved in the growing, manufacture, or distribution of controlled substances. This entails targeting the world's "Most Wanted" drug traffickers, identified as Consolidated Priority Organization Targets (CPOTs) as well as other Priority Target Organizations (PTOs). 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.

DEA's FY 2015 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. 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

¹ This includes DEA's Salaries and Expenses and Diversion Control Fee Accounts, but it does not include an anticipated \$497,197,000; 1,249 FTE; and 1,265 positions (including 936 Special Agents) from reimbursement accounts. Additional details on reimbursable resources are available in Exhibit H.

supplies. For example, DEA’s FY 2013 obligations for travel were \$30 million below what it obligated for travel in FY 2010.²

Between FY 2010 and FY 2012, DEA’s appropriation remained relatively flat. Beginning in January 2011, the Attorney General (AG) instituted hiring restrictions that were later made more restrictive in January 2013. DEA’s FY 2013 enacted appropriation included 2.1 percent of across the board rescissions. On top of that, the FY 2013 Sequester reduced DEA’s budget authority by \$119 million. Between January 2011 and December 2013, DEA lost nearly 800 S&E Account and reimbursable positions, including over 300 special agents, due to budget constraints. The loss of these agents, attorneys, and other critical support staff positions to DEA’s S&E account have resulted in lost investigative hours and support for investigations. Over the same time period, DEA was able to increase DCFA on-board staffing by just over 200 positions, including 105 special agents, because the fee-funded account had fewer hiring restrictions during that time period.



The FY 2014 enacted appropriation provided DEA’s S&E Account with total funding of \$2.018 billion, which is \$111.7 million above the FY 2013 level, including sequestration and rescissions. This provides DEA with the financial resources to resume hiring agents and other

² DEA obligated \$37 million from all funding sources under object class 21.0 in FY 2013, compared to \$67 million in FY 2010.

positions. DEA is expected to hold three Basic Agent Training Classes to hire approximately 120 new special agents and one class of up to 40 new Intelligence Analysts.

DEA has continued the ZBB process and now relies on it as an annual review of its base resources. As DEA's appropriation remains flat in FY 2015, DEA will continue to utilize its ZBB process to fund mandatory increases and high priority programs. DEA's request contains only the most important base adjustments, which will allow DEA to fund mandatory and high priority programs. In FY 2015, DEA's request includes the following:

Maintaining Current Services

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

Salaries and Expenses (S&E) Account: The \$75,160,000 in base adjustments includes funding for the January 2015 pay raise of 1 percent, employee benefits, rent and facilities, legacy radio operations and maintenance, and charges for positions stationed outside of the United States. The FY 2015 request provides funding to maintain DEA's new hires in FY 2014 and FY 2014; however, DEA expect on-board staffing levels at the end of FY 2015 to still be slightly lower than the end of FY 2013 levels.

Diversion Control Fee Account (DCFA): The \$31,393,000 in base adjustments includes funding for the January 2015 pay raise of 1 percent, employee benefits, rent and facilities, charges for foreign positions, and technical adjustment related to the FY 2014 sequestration.

Program Offsets

DEA's FY 2015 request contains \$75,160,000 in program and administrative reductions to be identified once funds are appropriated. Reductions to existing operations and services necessary to pay for increases in existing costs, including pay raises, FERS contributions, State Department charges, and GSA rent, among others. The operations and services that will be reduced will be specified in spending plans after funds have been appropriated. Such reductions could include funds for travel, training, contracts, supplies, and other costs related to current operations.

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 2015 request supports the following strategic goals:

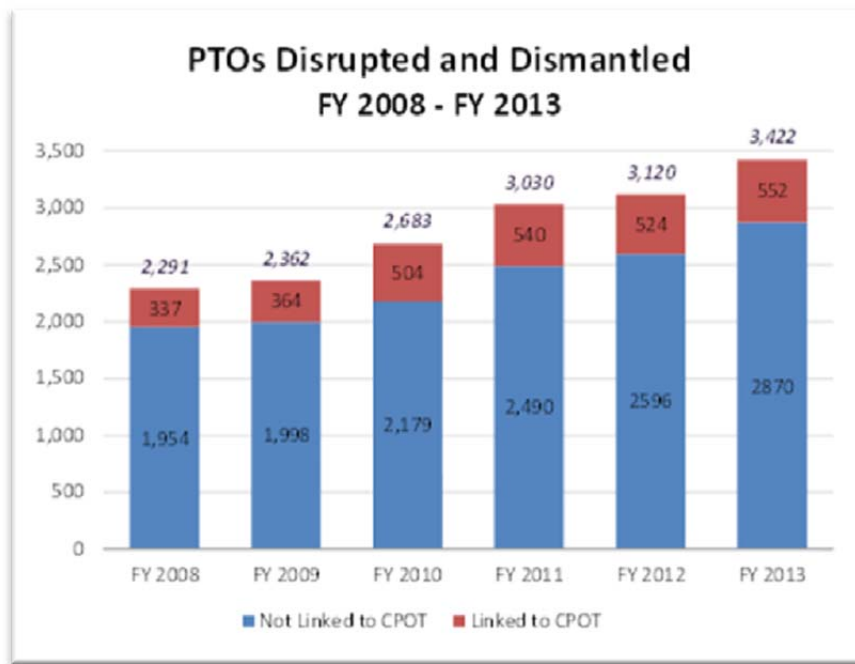
- **“Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats”**- DOJ FY 2014-2018 Strategic Plan, Strategic Goal 1; Strategic Objective 1.1.
- **“Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers”**- DOJ FY 2014-2018 Strategic Plan, Strategic Goal 2; Strategic Objective 2.1.
- **“Disrupt and dismantle major trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs”**- DOJ FY 2014-2018 Strategic Plan, Strategic Goal 2; Strategic Objective 2.3.
- **“Disrupt Domestic Drug Trafficking and Production”**- 2013 National Drug Control Strategy
- **“Strengthen International Partnerships”**- 2013 National Drug Control Strategy
- **“Improve Information Systems for Analysis, Assessment, and Local Management”**- 2013 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 drugs and drug proceeds along the Northern Border.”** – National Northern Border 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 2014-2018 Strategic Plan, DEA supports the following long-term outcome goal:

- **“Dismantle a cumulative total of 175 gangs/criminal enterprises”** - DOJ FY 2014-2018 Strategic Plan, Strategic Objective 2.1.
- **“Dismantle 750 Consolidated Priority Organization Target³ (CPOT)-linked drug trafficking organizations. Disrupt 1,750 CPOT linked drug trafficking organizations”** - DOJ FY 2014-2018 Strategic Plan, Strategic Objective 2.3.

³ 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.

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 2016.⁴ Already, DEA’s coordinated enforcement and intelligence efforts with Federal, state, local, and international partners are resulting in the largest and most dangerous drug trafficking organizations being put out of commission. In FY 2012, DEA disrupted or dismantled 3,120 domestic and foreign priority targets, of which 524 were linked to CPOT organizations. Furthermore, through the end of the fourth quarter FY 2013, 42 of the 63 CPOTs identified on the FY 2013 CPOT list (60.9 percent) had been indicted. In addition, 19 of the 63 CPOTs have been arrested.



In addition to DOJ’s goals, 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 the end of FY 2013, DEA denied a total of \$25 billion in drug

⁴ 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.

trafficking revenue. This cumulative total includes \$17.8 billion in assets seized (currency and property).

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. In 2010 DEA and DOJ's Criminal Division established the National Gang Targeting, Enforcement and Coordination Center (GangTECC) in order to enhance the combined abilities of its member agencies (FBI, U.S. Marshals Service and Bureau of Alcohol, Tobacco, Firearms and Explosives) to coordinate information and enforcement activities to disrupt and dismantle regional, national, and international gang threats. Specifically, DEA established an operational partnership between its Special Operations Division (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. In light of DOJ's priority goal to reduce violent crimes attributed to gangs by achieving a 5 percent increase on 3 key indicators, as a partner in GangTECC, DEA has consistently exceeded that goal from baseline by achieving successive increases in the number of gang investigations supported: 50.9 percent increase in FY 2012, and 21 percent increase over the FY 2012 total in FY 2013.

DEA's 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



Joaquin "Chapo" Guzman Loera

In a February 22, 2014 press release, Attorney General Holder stated: "Today's apprehension of Joaquin 'Chapo' Guzman Loera by Mexican authorities is a landmark achievement, and a victory for the citizens of both Mexico and the United States. Guzman was one of the world's most wanted men and the alleged head of a drug-running empire that spans continents. The criminal activity Guzman allegedly directed contributed to the death and destruction of millions of lives across the globe through drug addiction, violence, and corruption. We salute the Government of Mexico, and the professionalism and courage of the Mexican authorities, for this arrest. We are pleased that we were able to work effectively with Mexico through the cooperative relationship that U.S. law enforcement agencies have with their Mexican counterparts. We look forward to ongoing cooperation, and future successes."

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),⁵ 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 131, the arrest of 98, and the extradition of 53 of the 173 total FY 2003-FY 2013 CPOTs. In FY 2013, 58 of the 63 organizations on the FY 2013 CPOT list (92.1 percent) had active PTO investigations directed at or linked to them. Furthermore, of the 20,713 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. Through the 4th QTR of FY 2013, 7,801 PTOs have been dismantled which is 16 percent increase over the FY 2012 total.

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. In FY 2013, 25 of the 63 organizations on the CPOT list are associated with terrorist organizations. Terrorist-linked DEA Priority Target Organization (PTO) investigations increased from 55 cases in FY 2004 to 75 through the end of the fourth quarter

FY 2013, a 36.4 percent increase. Additionally, DEA has identified 20 of the 51 (39 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

⁵ PTOs are identified by DEA Special Agents in Charge and Regional Directors.

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



Jose Americo Bubo Na Tchuto

In April 2013, an investigation targeting two international drug trafficking organizations resulted in the indictment of nine individuals and the arrest of seven on narcotics importation conspiracy charges. The former head of the Guinea Bissau Navy Na Tchuto was arrested in West Africa. Na Tchuto faces charges of conspiring to import narcotics into the United States. In May 2010, the Treasury's Office of Foreign Asset Control (OFAC) designated Na Tchuto a drug kingpin due to his significant role in international drug trafficking. Na Tchuto was also involved in organizing the April 2010 attempt to overthrow the Guinea-Bissau government. Also in April 2013, Antonio Indjai Chief of the Guinea-Bissau Armed Forces was indicted in the Southern District of New York (SDNY) for conspiring to sell weapons, including surface-to-air missiles to be used to protect FARC cocaine processing operations in Colombia against U.S. military forces, and narcoterrorism conspiracy.

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.



Viktor Bout

Russian national Viktor Anatolyevich Bout was one of the world's most prolific arms traffickers. Bout was arrested in March 2008 by Thai authorities in cooperation with DEA for conspiring to sell millions of dollars' worth of weapons to the FARC—weapons that would be used to kill Americans in Colombia. In November 2011, Viktor Bout was convicted on all counts of the indictment and was sentenced to 25 years in prison the following April.

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

Through DEA's Office of Financial Operations and specialized money laundering groups located 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. During FY 2013, DEA denied a total revenue of \$3.5 billion from drug trafficking and money laundering organizations through asset and drug seizures, which represent a 25 percent increase from FY 2012. This total includes nearly \$637 million in cash seizures.

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.

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

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 is provided for legitimate medical, commercial, and scientific needs.

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.

Success Story: Walgreens Settlement

In June 2013, Walgreens Corporation agreed to pay \$80 million in civil penalties for the actions by their distribution center and six Walgreens pharmacies in Florida, which resulted in the diversion of millions of dosage units of oxycodone pain killers. Their actions helped fuel a pain killer epidemic in the State of Florida over several years. Walgreens failure to sufficiently report suspicious orders was a systematic practice that resulted in tens of thousands of violations and allowed Walgreens' retail pharmacies to order and receive at least three times the Florida average for drugs such as oxycodone. Several DEA investigations of rogue pain clinics in Southern Florida resulted in charges against 172 individuals, including 51 doctors and 24 clinic/pharmacy owners, the seizure of approximately 2.5 million dosage units of controlled substances, approximately \$16.6 million, real property and exotic cars. In addition, approximately 42 doctors and 11 pharmacies lost their DEA registrations. Approximately 192 doctors and 68 pharmacies voluntarily surrendered their DEA registrations. Under the settlement agreement, the six Walgreens pharmacies and distributions center will not distribute controlled substances (Schedule II-V) for a two-year period. The Jupiter distribution center suspension expires in September 2014, while the six pharmacies' suspension expires in May 2014. Walgreens also agreed to enhance its training and compliance programs, and to no longer monetarily or otherwise compensate its pharmacists based on the volume of prescriptions filled.

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 February 2014, there are 58 operational TDSs throughout the United States, with 8 more being established. DEA will have a

total of 66 squads in 41 states, Puerto Rico and the District of Columbia. During FY 2013, the TDS Groups collectively seized \$60.7 million in assets.

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.

DEA's Intelligence Program focuses 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. Effective March 2012, DEA/ONSI established a Defensive Counterintelligence (DCI) program. This program, managed by ONSI, will serve as the central coordination point for all DEA defensive DCI matters.

Finally, in 2012, 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 Division. The Department transferred 57 positions and associated resources to DEA to continue Document and Media Exploitation (DOMEX) and high-priority strategic intelligence reporting. Effective September 11, 2012, DEA implemented the DOMEX functions previously performed by NDIC to enable 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. DOMEX field teams support OCDETF Strike Forces in Atlanta, Houston, El Paso, Phoenix, and San Diego, in addition to the Utah National Guard unit in Salt Lake City. In May 2013, DEA established a new field team at the OCDETF Strike Force in Chicago as well. DEA has continued high priority strategic intelligence functions previously performed by NDIC. The former NDIC flagship product, the annual National Drug Threat Assessment (NDTA), was successfully transitioned to DEA and completed in May 2013. The 2013 National Drug Threat Assessment provides a comprehensive, strategic assessment of the domestic drug situation, and was based upon the most current available reporting from law enforcement, intelligence, and public health agencies throughout the United States.

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.

Success Story: Project Synergy

Through Project Synergy DEA and its counterparts targeted Drug Trafficking Organizations (DTOs) involved in the illegal distribution of synthetic designer drugs to customers in the United States and worldwide. The SOD coordinated project involved more than 80 DEA investigations including investigations being conducted by various DEA foreign offices. The project also includes cases led by U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI), FBI, and IRS. In June 2013, nationwide enforcement actions were conducted by DEA and its law enforcement partners in 38 cities within the United States. All of DEA's domestic field divisions participated as well as DEA foreign offices located in Canada, Central America and the Far East Region. These enforcement actions resulted in the arrest of 161 individuals and the seizure of \$37.4 million in cash and other assets, 10,743 kilograms of packaged synthetic drugs, 378 kilograms of synthetic cathinones, 8,019 kilograms of synthetic cannabinoids, 1,540 kilograms of treated plant material, 229 weapons and 119 vehicles. In addition, three days earlier, as part of the overall take-down strategy, the DEA, the USCBP and the Australian-Customs and Border Protection Service (CBPS) conducted simultaneous "package blitzes" on consignment express parcel hubs that resulted in the seizure of 1,120 kilograms of synthetic drugs.

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 222 domestic offices organized in 21 divisions throughout the United States and works closely with state and local partners. Cooperation provides advantages to all participating agencies and provides a federal presence in sparsely populated areas where DEA would not otherwise be represented. As of December 2013, DEA led 192 state and local task forces. Moreover, these task forces consisted of an on-board strength of 1,812 DEA Special Agents and 2,157 state and local task force officers, all of whom are deputized with Title 21 authority and dedicated full-time to investigate major DTOs and address trafficking problems in their local communities. Additionally during FY 2013, DEA trained 41,004 (total includes Clandestine Laboratory Certification Training) state and local officers. The number of state and local officers trained fluctuates from year-to-year due to the number of training sessions conducted in the field.

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

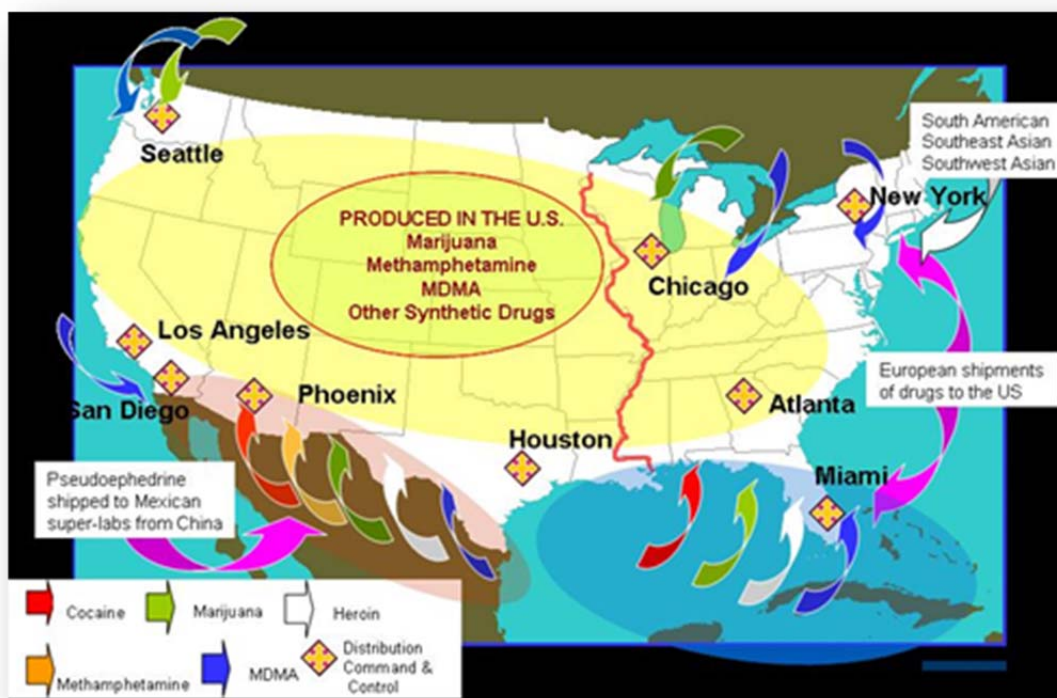
Program, and Attorney General's Anti-Gang Coordination Committee. The sharing of DEA intelligence and resources has led to many successful operations and highly effective drug law enforcement.

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. In FY 2013, the Clandestine Laboratory Training Unit conducted training for a total of 1,696 state and local law enforcement officers. This includes State and Local Clandestine 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, released December 2012, 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.

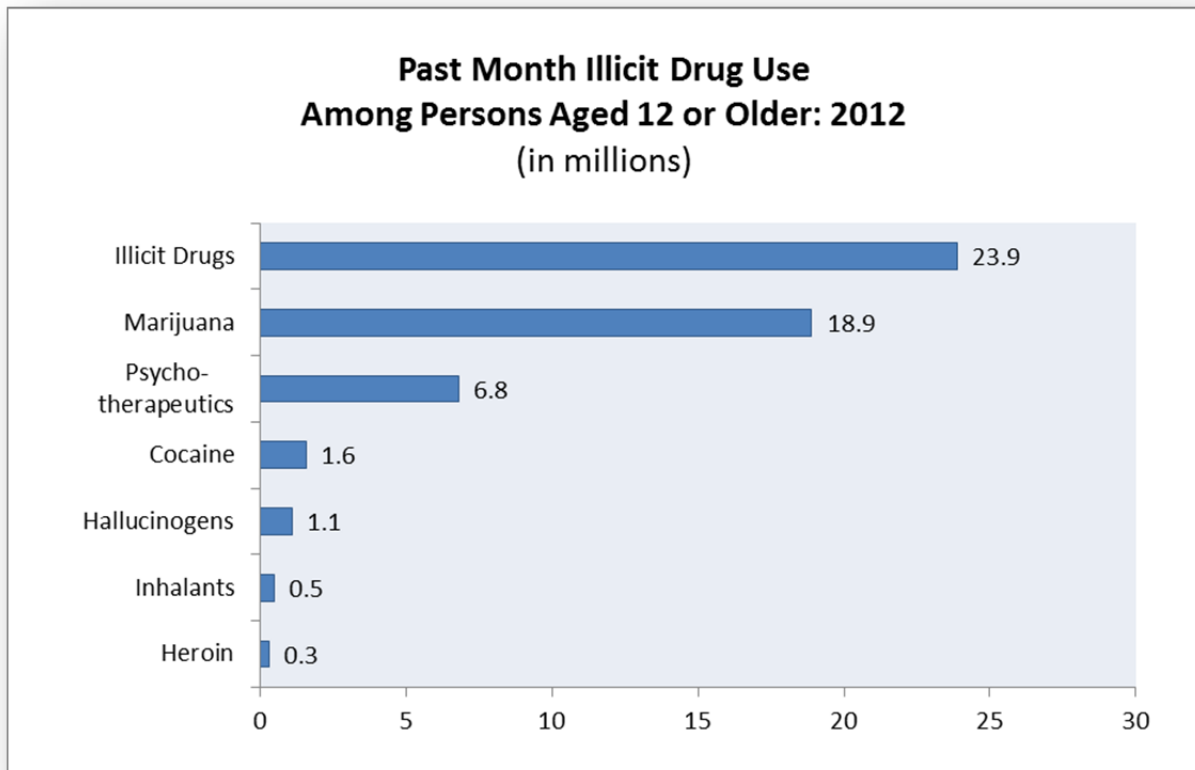
Primary U.S. Drug Threat Vectors and Distribution Centers



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.

In 2012, an estimated 23.9 million Americans aged 12 or older were current (past-month) users of illicit drugs. This estimate represents 9.2 percent of the population aged 12 or older. Of these users, 7.3 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:⁶



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

⁶ “Results from the 2012 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 2013. Illicit Drugs include marijuana/hashish, cocaine (including crack), heroin, hallucinogens, inhalants, or prescription-type psychotherapeutics used non-medically.

recovery and it is cheap to manufacture. According to the 2012 NSDUH, the number and percentage of persons aged 12 or older who were current users of methamphetamine in 2012 (440,000 or 0.2 percent) were similar to those in 2011 (439,000 or 0.2 percent) and in 2007 to 2010 (ranging from 314,000 to 530,000 and from 0.1 to 0.2 percent). However, the number and percentage in 2012 were lower than in 2006 (731,000 or 0.3 percent). Additionally, the number of recent new users of methamphetamine among persons aged 12 or older was 133,000 in 2012, which was also the 2011 estimate and was similar to the 2010 estimate (107,000)⁷

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.

The vast majority of methamphetamine trafficked in the U.S. is produced in large labs operated by Mexican drug trafficking organizations operating on both sides of the Southwest border. 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 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 2012 NSDUH found that there were 1.6 million current cocaine users aged 12 or older, or 0.6 percent of the population. These estimates were similar to the number and rate in 2011 (1.4 million persons

⁷ 2012 NSDUH, published September 2013.

and 0.5 percent), but they were lower than in 2003 to 2007 (e.g., 2.4 million persons and 1.0 percent in 2006). The number of past year cocaine initiates aged 12 or older declined from 1.0 million in 2002 to 639,000 in 2012; the number of initiates of crack cocaine declined during this period from 337,000 to 84,000.⁸

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 sniffed/snorted. Heroin is a Schedule I substance under the CSA meaning that it has a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision.

In recent years, due to the overwhelming abuse of prescription psychotherapeutic drugs, more specifically opiates, the United States has seen a gradual increase heroin abuse. Law enforcement agencies across the country have confirmed this and are reporting to DEA that they are beginning to observe young people who became addicted to opioid prescription drugs yet cannot continue to pay for them and who have turned therefore to heroin—a cheap alternative to prescription opioids. According to the most recent NSDUH, there were 335,000 current heroin users aged 12 or older in 2012, or 0.1 percent of the population. These estimates were just slightly higher than 2011 (281,000 or 0.1 percent), but they were significantly higher than those in 2002 through 2005 (166,000 in 2002; 119,000 in 2003; 166,000 in 2004; and 136,000 in 2005), 2007 (161,000), and 2009 (193,000). Recent increases in the use of heroin were also evident in the estimate of past year heroin use.⁹

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,

⁸ 2012 NSDUH, published September 2013

⁹ 2012 NSDUH, published September 2013

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 1 substance under the CSA. In 2012, there were 18.9 million users of marijuana, which made it the most commonly used illicit drug. The number and percentage of persons aged 12 or older who were current users of marijuana in 2012 (18.9 million or 7.3 percent) were similar to the estimates for 2011 (18.1 million or 7.0 percent). The 2012 rate of current marijuana use also was similar to the rate in 2010 (6.9 percent), but it was higher than rates from 2002 to 2009. In 2012, marijuana was the drug with the largest number of past year initiates among persons aged 12 or older, with 2.4 million using marijuana for the first time, or an average of 6,600 new users each day.¹⁰

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.

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 2012 NSDUH, there were approximately 2.4 million persons aged 12 or older who used psychotherapeutics non-medically for the first time within the past year, which averages to about 6,700 initiates per day. The number of new nonmedical users of psychotherapeutics in 2012 was similar to estimates for 2002, 2003, and 2005 through 2011 (ranging from 2.3 million to 2.6 million), but was lower than the 2004 estimate (2.8 million) Also in 2012, the number of new

¹⁰ 2012 NSDUH, published September 2013

nonmedical users of pain relievers in 2012 (1.9 million) was similar to the estimates in 2007, 2010, and 2011, but was lower than the numbers in 2002 through 2006 and in 2008 and 2009 (ranging from 2.2 million to 2.5 million). In 2012, the numbers of initiates were 1.4 million for tranquilizers, 676,000 for stimulants, and 166,000 for sedatives.¹¹

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.

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 tetrahydro-cannabinol (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

¹¹ 2012 NSDUH, published September 2013

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), methamphetamine 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.

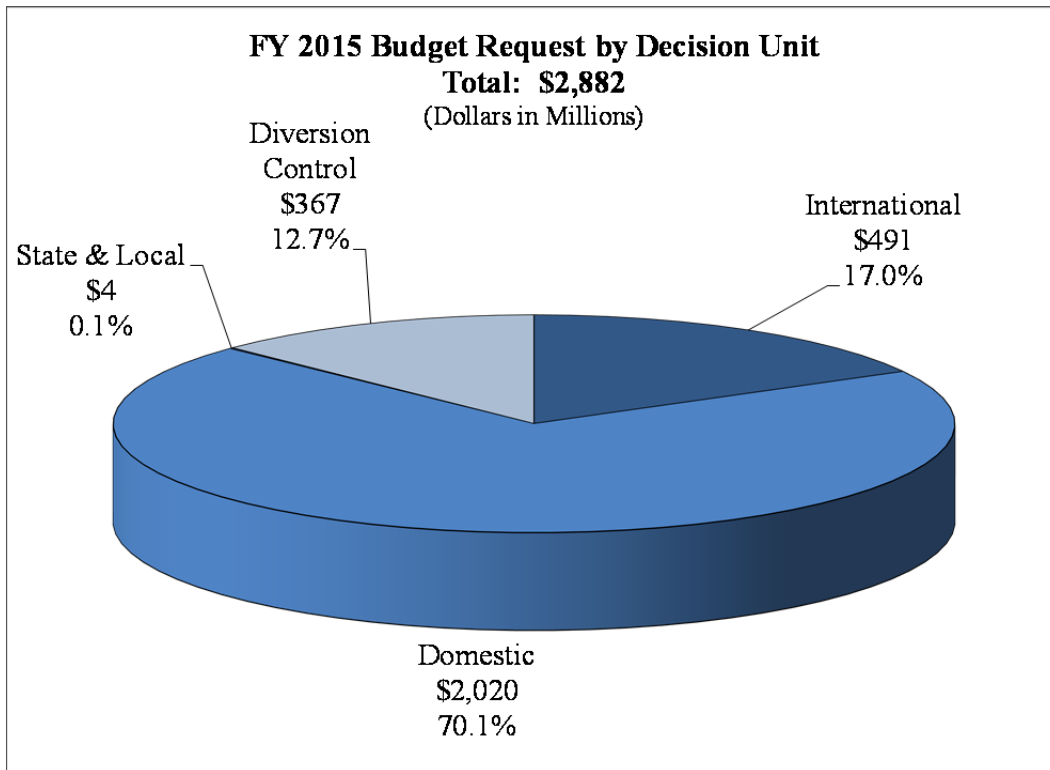
In October 2011, DEA temporarily emergency scheduled mephedrone, methylone, and MDPV, which are found in “bath salt”-type products, under Schedule I of the CSA. This action was necessary to avoid an imminent hazard to the public safety. In July 2012, the FDASIA permanently added two of the three synthetic cathinones to Schedule I (mephedrone and MDPV). The third (methylone) was placed under Schedule I in April 2013.

Full Program Costs

DEA’s budget integrates its own priorities together with DOJ’s Strategic Goals and Objectives to ensure that each performance objective is linked to the costs of critical strategic actions. This request supports DEA’s Strategic Plan, which divides DEA’s resources (including reimbursable funds) into four strategic focus areas to achieve the maximum enforcement impact across the full spectrum of drug trafficking activity. The FY 2013 FTE represent actual or estimated FTE usage during that fiscal year. FY 2014 and FY 2015 FTE estimates are based on historical attrition and DEA’s staffing plan, and are fully funded within DEA’s requested funding levels.

This request is designed to support DEA’s priorities and 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. DEA’s S&E Account is organized into three decision units and the entire Diversion Control Program is funded through the DCFA. The following chart reflects all DEA resources including the S&E Account, including reimbursable resources¹², and the DCFA.

¹² The main sources of DEA reimbursable funding are OCDETF, the Asset Forfeiture Fund (AFF), other DOJ accounts, and the Department of State.



For FY 2015, approximately 70.1 percent of DEA’s budgetary resources are associated with Domestic Enforcement; 17 percent with International Enforcement; one-tenth of a percent with State and Local Assistance; and, 12.7 percent with the Diversion Control Fee Account. DEA’s budgetary resources also include \$497.19 million in reimbursable funds from other agencies. The two largest sources include \$222 million from the Interagency Crime and Drug Enforcement (ICDE) account to support OCDETF investigations and \$210 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. DEA projects that the current collection structure will be sufficient to fund the FY 2015 DCFA request.

Information Technology Investments

Information technology (IT) resources are an important component in DEA's efforts to fulfill its mission. In addition, information sharing with other law enforcement agencies and the Intelligence Community (IC) is only possible with an adequate IT infrastructure. In FY 2015, DEA will dedicate approximately \$261 million and 222 FTE for IT. Under sequestration in FY 2013 DEA used an estimated \$249 million and 222 FTE. In FY 2014, DEA plans to dedicate an estimated \$254 million and 222 FTE. Additional information about DEA's IT investments is provided to the Office of Management and Budget through the Exhibit 53 submission.

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 2013, DEA continued to streamline the structure of the EMS program and in response to various requests, made formal presentations to representatives from the Department of the Interior (DOI), the Office of Management and Budget (OMB), a former Federal Environmental Executive, and the Federal Bureau of Investigation (FBI) – to assist these agencies with the development of their programs. 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 the planning process and review of departmental plans to include DOJ's Strategic Sustainability Performance Plan, Sustainable Buildings Implementation Plan, DOJ Facility Metering Plan, and DOJ's Recycling and Solid Waste Management Plan. During the year, the DEA Greenhouse Gas Inventory Report and associated Inventory Management Plan were completed and submitted to DOJ, as well as various responses to data calls for information on recycling and solid waste, NEPA, and building and energy efficiency.

In FY 2013, EMS programs were maintained at and integral to 31 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. 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. By FY 2013, DEA's EMS Facility Auditing program had ensured that all required facilities achieved declaration of conformance with the DEA EMS program and Executive Order requirements.

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 2013, DEA continued to participate in the FEC awards program, with a number of DEA facilities submitting award applications. At the end of November 2013, the U.S. Environmental Protection Agency announced that DEA won 11 awards (of the 27 presented.) DEA received two bronze level awards: the Austin Resident Office and the San Antonio District Office; one silver level award: the Washington Division Office; four gold level awards: the Dallas Division Office, the El Paso Intelligence Center, the North Central Laboratory, and the Mid-Atlantic Laboratory; and four platinum level awards: the Aviation Division, the Southeast Laboratory, the Southwest Laboratory, and the Special Testing and Research Laboratory. FY 2013 also saw much advancement in energy efficiency and energy reduction. During FY 2013, DEA conducted an energy and water audit at one DEA laboratory to support DOJ's energy conservation goals. 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 2013, DEA also continued to promote environmental stewardship and sustainability throughout the Agency by providing environmental awareness information during the entire year. DEA 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 conducted a week-long Earth Day awareness campaign and celebration in April in conjunction with the DEA annual environmental stewardship awards program, an Energy Awareness Month Campaign in October, and an America Recycles Day Event in November.

In addition to DEA's environmental stewardship and sustainability programs, DEA greatly enhanced the environmental compliance program across the agency in FY 2013. DEA developed an Environmental Compliance matrix evaluating DEA compliance with Federal and state environmental law including, the Oil Pollution Act, the Emergency Planning and Community Right to Know Act (EPCRA), the Resource Conservation and Recovery Act (RCRA), the Clean Air Act, and the Clean Water Act. Due to this evaluation, DEA developed Spill Prevention, Control and Countermeasure (SPCC) plans for facilities with petroleum storage over the federal threshold limit, registered aboveground storage tanks where necessary, submitted EPCRA reports for numerous facilities, submitted a state pollution prevention plan, and provided all necessary training to DEA staff. In addition to the required training and reporting, DEA prepared guidance documents for use across the agency to promote sound management practices for universal and hazardous waste.

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 2015:

- As DEA's law enforcement efforts improve, 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. Current and future technological advancements diminish the lines and barriers of communication, finance and economics. Virtual payment systems and global consumer markets in cyber space continue to challenge DEA's limited capabilities to identify, target and investigate drug trafficking and drug producing organizations. U.S. and foreign legal systems are constrained or cannot keep up with new crimes and developing compounds of illicit drugs being manufactured by rogue chemists.
- 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.
- 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 to a level of 82 in FY 2013. Funding for this expansion was provided by the State Department and has evolved into an interagency effort. Draw down plans are in the final stages of being finalized. Once the State Department has approved DEA's new overall staffing levels, DEA will require funding to continue operating at the new level. DEA believes it will still play an important role in post-draw down Afghanistan, but DEA's staffing levels and operational capacity will be contingent upon continuing resources as the mission in Afghanistan transitions from military to civilian led.
- Source and transshipment regions such as Afghanistan and the continent of Africa continue to affect the world, and the United States, both directly and indirectly. Even if only a limited quantity of these drugs reach the U.S., the proceeds sustain drug trafficking and terrorist organizations, exploit the legitimate U.S. and global financial institutions and 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.

- As several states have authorized the cultivation, distribution, possession, and use of marijuana for medical purposes, under state law, questions have been raised about the conflicts between state and Federal marijuana laws.
- Continued growth in the abuse of legitimate controlled substances is already supplementing illicit drugs. 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, especially, in countries with limited legal oversight and awareness to clamp down on the production of chemically derived synthetic drugs.
- Efforts by various U.S. Government Departments and Agencies to create or sponsor additional respective intelligence and fusion centers targeting various aspects of Transnational Organized Crime has the potential to create coordination issues if these new centers are not coordinated.

II. Summary of Program Changes

Item Name	Description	Pos.	FTE	Dollars (\$000)	Page
Miscellaneous Program and Administrative Reductions	Reductions to existing operations and services necessary to pay for increases in existing costs, including pay raises, FERS contributions, State Department charges, and GSA rent, among others. Program and administrative reductions to be identified once funds are appropriated.	0	0	-\$75,160	93

This page intentionally left blank

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, [~~\$2,018,000,000~~] \$2,018,000,000; 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.

Analysis of Appropriations Language

No significant changes

This page intentionally left blank

IV. Program Activity Justification

A. International Enforcement

<i>International Enforcement</i>	Direct Pos.	Estimate FTE	Amount
2013 Enacted with Rescissions and Sequestration	1,074	988	\$379,372
2014 Enacted	1,074	955	\$421,802
Adjustments to Base and Technical Adjustments	0	7	\$39,202
2015 Current Services	1,074	962	\$461,004
2015 Program Increases	0	0	\$0
2015 Program Offsets	0	0	-\$23,066
2015 Request	1,074	962	\$437,938
Total Change 2014-2015	0	7	\$16,136

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 critical to representing U.S. interests. The successes of DEA's foreign operations are based on the agency's ability to maintain a presence in all parts of the world; therefore, in order to fulfill its mission overseas, DEA personnel must be strategically assigned worldwide. As of February 2014, DEA's global footprint spanned 67 countries. In these locations, DEA personnel are assigned to 68 DEA Country Offices and 18 Resident Offices. DEA personnel collaborate on a daily basis with host nation and federal law enforcement counterparts while conducting investigations, offering host nation training seminars and sharing valuable intelligence.

Key organizational programs, strategies and activities funded by the International Enforcement decision unit are 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 (DTO) with an identified hierarchy. These PTOs engage 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 that 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 U.S., DEA has developed the Drug Flow Attack Strategy (DFAS) and its enforcement arm, *Operation All Inclusive* (OAI). The 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 United States. The Southwest Border (SWB) is an integral part of DFAS as the SWB is the primary arrival zone for most illicit drugs smuggled into the U.S.



Semisubmersible vessel seized in Costa Rica

DEA, along with other interagency components (i.e. law enforcement, military and intelligence communities) developed the DFAS as a cohesive strategic approach to attack the identified vulnerabilities of DTOs. This multi-agency effort identifies and attacks vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations. In addition, DFAS 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.

Counternarcotics Initiatives in Afghanistan

DEA's focus in Afghanistan centers on key objectives that support the Government of the Islamic Republic of Afghanistan (GIROA) in its efforts to stabilize their country. DEA assists the 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 (KCO) 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), Sensitive Investigative Unit (SIU), and the Technical Investigative Unit (TIU) of the Counter Narcotics Police-Afghanistan (CNP-A). These specialized units have developed to the point where they are independently operationally capable as a result of DEA's efforts

DEA is also involved in the Afghan Threat Finance Cell (ATFC) which is 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 (FO) and 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 terror. The majority of DEA's FY 2014 funding for personnel and operations in Afghanistan is provided by the Departments of State and Defense. DEA is working with the interagency community to finalize its Afghanistan presence and resource requirements in FY 2015 and going forward.

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 Country Office (KCO) 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 KCO in bilateral investigations to identify, target, and dismantle DTOs with ties to terrorist organizations in the region. FAST personnel, in conjunction with KCO 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.



DEA FAST prepares for a counter narcotics operation in Afghanistan

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 the Special Operations Division (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 (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)

The DEA Sensitive Investigative Unit (SIU) Program is the foundation for building an effective and trustworthy host nation unit capable of conducting complex investigations targeting major

DTOs. SIUs are groups of host nation investigators that are polygraphed, trained, equipped, and guided by DEA. The DEA SIU program currently manages 12 SIUs, which are comprised of over 900 host nation law enforcement officials. SIUs are currently located in the following countries: Afghanistan, Colombia, Dominican Republic, Ecuador, Ghana, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru and Thailand. 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 training members of the Afghan SIU

This Page Intentionally Left Blank

2. Performance and Resources Table

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 by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats											
RESOURCES			Target		Actual		Projected		Changes		Requested (Total)
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request
Active Foreign PTOs Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia Regions			††		2		††		-		††
Active Foreign PTOs Not Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia Regions			††		59		††		-		††
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
			203	\$61,136 [\$50,165]	203	\$61,136 [\$50,165]	188	\$66,258 [\$49,685]	(29)	\$0 [-\$10,971]	159
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE		FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes	
				FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	1.1	International Enforcement		203	\$61,136 [\$50,165]	203	\$61,136 [\$50,165]	188	\$66,258 [\$49,685]	(29)	\$0 [-\$10,971]
Performance Measure: Output	1.1	Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions		††		3/1		††		-	
Performance Measure: Output	1.1	Foreign PTOs Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions		††		27/5		††		-	
†† 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.											

PERFORMANCE AND RESOURCES TABLE con't												
Decision Unit: International Enforcement												
DOJ Strategic Goals 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law												
Strategic Objectives 2.3: Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs												
RESOURCES			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Active PTOs Linked to CPOT Targets			120		118		120		-		120	
Active PTOs Not Linked to CPOT Targets			320		335		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
			851	\$318,236 [\$14,274]	851	\$318,236 [\$14,274]	817	\$355,544 [\$14,274]	7	\$16,136 [\$0]	824	\$371,680 [\$14,274]
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	2.3	International Enforcement	851	\$318,236 [\$14,274]	851	\$318,236 [\$14,274]	817	\$355,544 [\$14,274]	7	\$16,136 [\$0]	824	\$371,680 [\$14,274]
Performance Measure: Output	2.3	PTOs Linked to CPOT Targets Disrupted or Dismantled	40/20		56/21		40/20		-		40/20	
Performance Measure: Output	2.3	PTOs Not Linked to CPOT Targets Disrupted or Dismantled	110/60		178/62		110/60		-		110/60	
Performance Measure: Output	2.3	Number of International Students Trained	2,838		3,457		2,838		-		2,838	
Performance Measure: Outcome	2.3	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied)	\$2.85 Billion		\$3.49 Billion		\$2.80 Billion		-		\$2.80 Billion	

**Refer to the second International Enforcement Performance Measure table with FY 2009- FY 2013 data for footnotes.

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										
Strategic Objective	Performance Report and Performance Plan Targets		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
1.1	Performance Measure	Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	5/1	1/0	0/0	3/1	††	3/1	††	††
1.1	Performance Measure	Foreign PTOs Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia Regions	4/2	6/3	20/3	29/1	††	27/5	††	††
2.3	Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled ¹	38/21	53/21	35/17	54/15	40/20	56/21	40/20	40/20
2.3	Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ¹	118/53	121/47	99/73	157/63	110/60	178/62	110/60	110/60
2.3	Performance Measure	Number of International Students Trained ²	4,506	5,252	2,769	3,031	2,838	3,457	2,838	2,838
2.3	OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied)	\$3.4 Billion	\$3.0 Billion	\$2.88 Billion	\$2.80 Billion	\$2.80 Billion	\$3.49 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.

¹PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D). Performance actuals include DEA's entire inventory of foreign PTOs.

²The FY 2013-FY 2015 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). Also, performance actuals do not include law enforcement officials trained via the Afghanistan Regional Training Team (RTT) Program.

3. Performance, Resources, and Strategies

Pursuant to the DOJ Strategic Plan for FY 2014 – 2018, 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. DEA resources specifically address DOJ's Strategic Objective 1.1: *Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats.*

DOJ Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. DEA resources specifically address DOJ's Strategic Objective 2.3: *Disrupt and dismantle major drug trafficking organizations to 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 by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats.*

DEA's Counterterrorism Efforts

Output Performance Measures:

- *Foreign PTOs Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia, and Southwest Asia Regions*

FY 2015 Target: N/A

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

FY 2015 Target: N/A

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 DEA Priority Target Organizations (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. From October 1, 2012 through September 30, 2013, DEA disrupted 3 and dismantled one foreign PTOs Linked to CPOTs in the Middle East, Central Asia, and Southwest Asia. In addition, DEA disrupted 27 and dismantled 5 foreign PTO Not Linked to CPOTs.

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 has not established targets for FY 2013 through FY 2015 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 – *Disrupt and dismantle major drug trafficking organizations to 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*

FY 2015 Target: 40/20

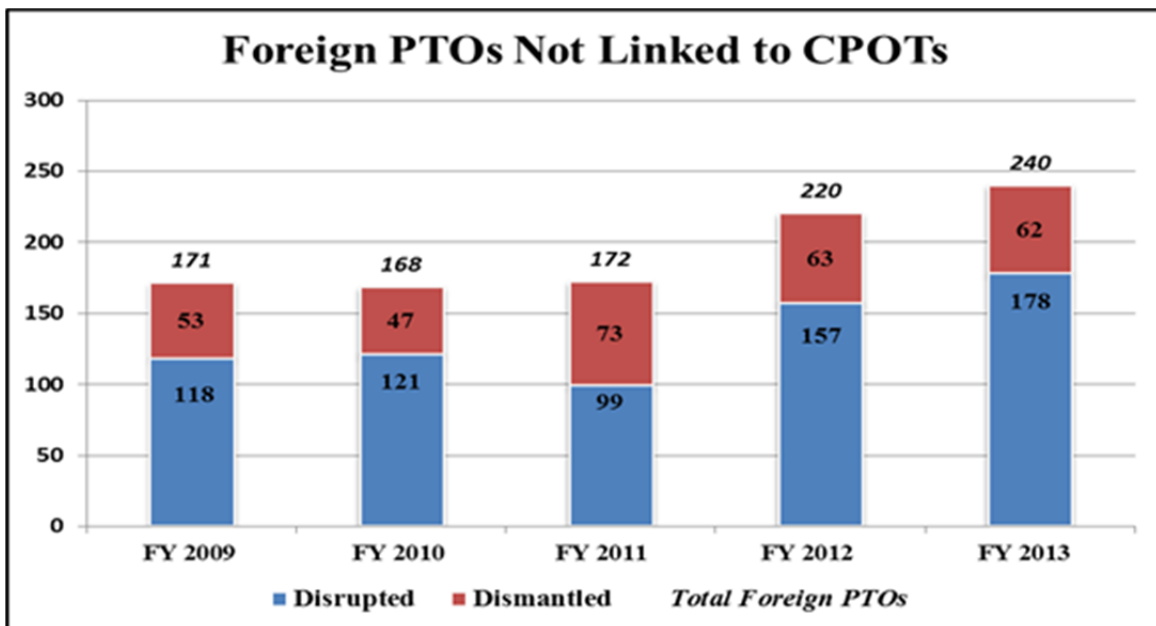
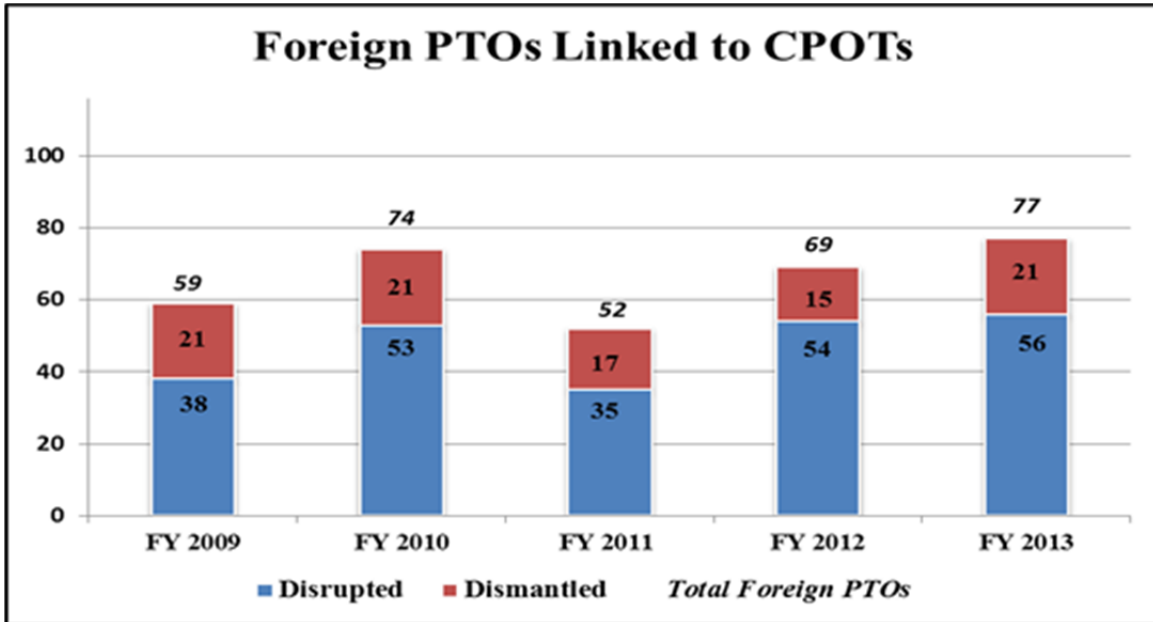
- *PTOs Not Linked to CPOT Targets Disrupted or Dismantled*

FY 2015 Target: 110/60

From October 1, 2012 through September 30, 2013, DEA disrupted 56 and dismantled 21 PTOs Linked to CPOTs. DEA also disrupted 178 and dismantled 62 PTOs Not Linked to CPOTs. These PTOs Linked and Not Linked to CPOTs include organizations operating in the Middle East, Central Asia, and Southwest Asia. DEA exceeded all FY 2013 PTO targets; however, 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 closely with its foreign counterparts and DEA domestic offices to meet or exceed PTO targets established for FY 2014 and FY 2015.

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 2014 and FY 2015. 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-FY 2015 reflect DEA's current utilization of foreign resources and enforcement activities, which have a direct impact on DEA's performance in the foreign arena.



International Training

Output Performance Measure:

- *Number of International Students Trained*

FY 2015 Target: 2,838

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.

From October 1, 2012 through September 30, 2013, DEA's International Training Section (TRI) trained 3,457 foreign law enforcement participants. As of September 30, 2013, there were 514 onboard law enforcement officers in the Afghan NIU. These NIU officers received informal operational training and shoulder-to-shoulder mentorship provided by DEA FAST special agents. In FY 2015, DEA FAST will provide tactical and operational training for NIU members on a rotational basis and through partnership in field operations. In FY 2015, DEA will continue to focus and maximize its Afghanistan resources while training, mentoring and building the capacity of the Afghan counter narcotics police. DEA's strategic objective is to support and develop the NIU so that this unit will become highly effective and independent. DEA exceeded its performance target established for FY 2013 of 2,838 international students trained and plans to meet or exceed targets for FY 2014 and 2015.



*Afghan NIU members inventory
contraband seized after a joint
NIU/FAST operation*

During FY 2013, DEA also provided advisory support and oversight for the Regional Training Team (RTT) Program in Afghanistan. Since FY 2008, this program has been supported by reimbursable funding from DoD Central Command (CENTCOM) for DEA Special Agent travel expenses, supplies and small equipment purchases. CENTCOM also covers all costs for non-DEA RTT contract instructors. The Afghanistan RTT's mission is to conduct law enforcement training for members of the CNP-A and the DEA-developed curriculum focuses on developing skills necessary to carry out basic and advanced counter narcotics investigations. During FY 2013, over 9,000 Afghan law enforcement officials received training through the RTT Program.

Drug Trafficker Revenue Denied

Outcome Performance Measure:

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

FY 2015 Target: \$2.80 Billion

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 and Domestic Decision Units. From October 1, 2012 through September 30, 2013, DEA was responsible for denying \$3.49 billion in drug trafficking revenue and as a result, exceeded its FY 2013 performance target of \$2.80 billion.

b. Strategies to Accomplish Outcomes

A detailed discussion regarding DEA International Enforcement performance measures and how these measures tie to DOJ's Strategic Objectives is included under section *3a. Performance Plan and Report for Outcomes* in the International Enforcement Decision Unit Justification.

In FY 2015, DEA will continue to pursue the following agency initiatives and program objectives in support of DOJ's Strategic Objectives 1.1 and 2.3:

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 2015, 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 Drug Flow Attack Strategy (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 U.S. 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, air and operational support. 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 for DEA personnel.

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. In FY 2015, despite potential curtailments to the standard 120-day rotation schedule, 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 Afghan Sensitive Investigative Unit (SIU) and the Afghan Law Enforcement Technical Support Unit (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 Afghan Threat Finance Cell (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. DEA will also seek out opportunities to develop new SIUs based on the willingness and readiness of the host nation and the availability of resources to start up and maintain a new SIU.

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.

This Page Intentionally Left Blank

B. Domestic Enforcement

<i>Domestic Enforcement</i>	Direct Pos.	Estimate FTE	Amount
2013 Enacted with Rescissions and Sequestration	7,092	5,815	\$1,522,581
2014 Enacted	7,097	5,592	\$1,592,177
Adjustments to Base and Technical Adjustments	0	44	\$35,870
2015 Current Services	7,097	5,636	\$1,628,047
2015 Program Increases	0	0	\$0
2015 Program Offsets	0	0	-\$51,888
2015 Request	7,097	5,636	\$1,576,159
Total Change 2014-2015	0	44	-\$16,018

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, 38 District Offices, 116 Resident Offices, and 47 Posts of Duties. These resources, in conjunction with DEA's foreign offices, create a seamless intelligence and investigative approach to disrupt and dismantle the drug trafficking organizations that pose the largest threat to the United States.

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.

Key organizational programs, strategies and activities funded by the Domestic Enforcement decision unit include the following:

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 November 13, 2013, DEA led 192 state and local task forces. Moreover, these task forces consisted of an on-board strength of 1,812 DEA Special Agents and 2,157 state and local task force officers, all of whom are deputized with Title 21 authority and dedicated full-time to investigate major DTOs and address trafficking problems in their local communities.



BAT (Basic Agent in Training) – Small Arms Training

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 field enforcement by providing vital information for investigative and enforcement activities directed against major national and transnational trafficking organizations. Specifically, SOD coordinates special operations and projects targeting trafficker command and control communications. SOD provides funding support, guidance and technical assistance to all DEA divisions that have judicial Title III operations involving drug trafficking. Additionally, SOD disseminates sensitive and vital investigative data to its participating law enforcement partners. In FY 2013, 27 agencies participated at SOD.

An example of the operational initiatives coordinated by SOD is Project Synergy, which targets DTOs involved in the illegal distribution of synthetic designer drugs to the U.S. and worldwide. The project involves numerous DEA investigations and is being worked jointly with several law enforcement agencies. On June 26, 2013, nationwide enforcement actions were conducted by DEA and its law enforcement partners in 38 cities within the U.S., resulting in 161 arrests, and the seizure of \$37,443,681 in cash/assets, 10,743 kilograms of packaged synthetic drugs, 378 kilograms of synthetic cathinones, 8,019 kilograms of synthetic cannabinoids, 1,540 kilograms of treated plant material, 229 weapons and 119 vehicles. SOD also plays an integral part in supporting DEA's financial investigations. DEA Office of Financial Operations (FO) and the Special Operations Division (SOD) initiated Project FOSOD to correlate, de-conflict and integrate various SOD and FO Attorney General Exempted Operation (AGEO) supported money laundering investigations.

Additionally, SOD supports and assists in the continuing development of the DEA Analysis and Response Tracking System (DARTS) for DEA users, and the De-Confliction and Information Coordination Endeavour (DICE) system, a similar system utilized by all other Federal law enforcement users, as well as state and local law enforcement agencies. These tools provide the ability for law enforcement investigators to check if other investigators are targeting the same communications devices. This allows for immediate field de-confliction, which enhances ongoing investigations as well as ensuring officer safety when "blue on blue" investigative actions are uncovered. Currently these two systems have more than 20,000 established law enforcement users.

Intelligence and Information Sharing

DEA's intelligence program is comprised of several components that are responsible for collecting, analyzing, and disseminating drug-related domestic intelligence. This intelligence facilitates DEA seizures and arrests, strengthens investigations and prosecutions of major drug trafficking organizations, and provides policy makers with drug trend information upon which tactical and strategic decisions are based. DEA has also continued key programs transferred over from National Drug Intelligence Center (NDIC) in 2012, including Document and Media Exploitation (DOMEX) and high-priority strategic intelligence reporting.

El Paso Intelligence Center (EPIC)



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 28 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.

DOMEX

To continue the DOMEX mission transferred over from NDIC in 2012, 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.

Strategic Intelligence Products

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.

Intelligence Community Support

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.

State and Local Training

DEA trains and collaborates with its state and local law enforcement partners while carrying out its domestic law enforcement efforts. This includes both formal collaboration through task forces, as well as less formal information sharing and deconfliction efforts. These efforts serve as a force multiplier.

In addition to DEA's state and local Assistance Programs, its Office of Training offers specialized training and professional development to State and Local law enforcement officers in the following program areas:



DEA Training Academy, Quantico, VA

Together with the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia, the Office of Training is able to provide three high-quality training programs for state and local police officers in rural areas of the United States. These programs are designed to be conducted at or near local police departments and are tuition-free. The three programs provided through this joint initiative are the Drug Law Enforcement School for Patrol Officers (DLESP), the Drug Enforcement Training Program (DETP) Train-the-Trainer school, and the Drug Task Force Supervisors School (DTFSS). The specific details of each program are as follows:

- DLESP is a three-day program that provides updated training to police officers to assist them in detecting drug-related crime in their communities.
- DETP is a five-day course of instruction designed for secondary delivery by the trainers with a detailed program guide, student handouts, instructional aids, and suggested practical exercises.
- DTFSS is designed to provide updated managerial training to supervisors and commanders assigned to multi-agency drug task forces.

The Office of Training also conducts the Drug Unit Commanders Academy (DUCA); a two-week school designed for commanders of state, local, federal, and foreign drug enforcement units. This program provides training in areas including tactical aspects of drug enforcement, operational planning, confidential source management, clandestine laboratory operations, legal issues for management, executive decision making, and professionalism within the ranks. Additionally, DEA's Office of Training offers intelligence-based courses for state and local LEOs and their analytical staff that includes: Critical Thinking; Federal Law Enforcement Analysts Training; and Presentation & Briefing Skills.

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. Because the essential source of funding for eradication efforts is derived from the Domestic Operations budget, the program description and its performance narrative have been appropriately incorporated into the Domestic Decision Unit summary.



Eradication of Marijuana at an Outdoor Grow Site

Since eradication is based on the growing season, all program performance data is collected and reported on the calendar year with performance weighted towards the end of the year. Domestically cultivated marijuana is 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, DEA reported that nearly 4 million marijuana plants were seized and destroyed. Final CY 2013 statistics will likely not be available until

March or April, but based on initial estimates, the results will be similar CY 2012 results.

Successful enforcement has forced drug traffickers to cultivate marijuana plants on private property, whereas in prior years, marijuana plants were typically grown on public land. Unlike the less restrictive practices on public land, search warrants are required to pursue investigations on private land. Another factor that may impact the number of marijuana plant eradications is the introduction and cultivation of a new, more robust species of marijuana plant. It is called a “supersized” marijuana plant and it can reach heights of five feet or more and produce up to several pounds of marijuana from a single stalk. In light of these challenges, DEA must continuously modify its enforcement strategies to keep pace with the various adaptations and evolutionary techniques employed by trafficking organizations and other criminal enterprises.

2. Performance and Resources Table

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 by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats													
RESOURCES			Target		Actual		Projected		Changes		Requested (Total)		
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request		
Number of Incoming Requests for Information (RFI) from the Intelligence Community (IC)			600		756		650		50		700		
Total Costs and FTE			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)			99	\$17,246 [\$174]	99	\$17,246 [\$174]	99	\$18,136 [\$174]	0	\$0 [\$0]	99	\$18,136 [\$174]	
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE		FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Program Activity	1.1	National Security Intelligence		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
				99	\$17,246 [\$174]	99	\$17,246 [\$174]	99	\$18,136 [\$174]	0	\$0 [\$0]	99	\$18,136 [\$174]
Performance Measure: Output	1.1	Percentage of IC RFIs provided by requested deadline		100%		90.5%		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 Law

Strategic Objective 2.3: Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs

RESOURCES			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Active PTOs Linked to CPOT Targets ^{1,2}			540		563		540		-		540	
Active PTOs Not Linked to CPOT Targets ^{1,2}			2,060		2,538		2,060		-		2,060	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
			6,981	\$1,505,335 [\$439,122]	6,981	\$1,505,335 [\$439,122]	6,762	\$1,574,041 [\$449,841]	3	(\$16,018) [-\$5,814]	6,765	\$1,558,023 [\$444,027]
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	2.3	Domestic Enforcement	6,981	\$1,505,335 [\$439,122]	6,981	\$1,505,335 [\$439,122]	6,762	\$1,574,041 [\$449,841]	3	(\$16,018) [-\$5,814]	6,765	\$1,558,023 [\$444,027]
Performance Measure: Output	2.3	PTOs Linked to CPOT Targets Disrupted or Dismantled ^{2,3}	270/110		314/158		270/110		-		270/110	
Performance Measure: Output	2.3	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ^{2,3}	1,280/570		1498/672		1,280/570		-		1,280/570	
Performance Measure: Output	2.3	# of Federal, State, and Local Law Enforcement Officers Trained ⁴	45,000		39,308		40,000		-		40,000	
Performance Measure: Outcome	2.3	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁵	††		††		††		-		††	

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

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

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

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

⁴ This performance activity and performance measure does not include State and Local Clandestine Laboratory Enforcement training.

⁵ This is an agency-wide outcome measure reflecting the activities across DEA's two decision units (International Enforcement and Domestic Enforcement).

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. 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

Strategic Objective	Performance Report and Performance Plan Targets		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
1.1	Performance Measure	Percentage of IC RFIs Provided by Requested Deadline	90%	85%	75%	77%	100%	90.5%	100%	100%
2.3	Performance Measure	PTOs Linked to CPOT Targets Disrupted or Dismantled ^{1,2}	196/100	275/150	326/151	324/126	270/110	314/158	270/110	270/110
2.3	Performance Measure	PTOs Not Linked to CPOT Targets Disrupted or Dismantled ^{1,2}	1,009/591	1,054/690	1,295/665	1,343/663	1,280/570	1498/672	1,280/570	1,280/570
2.3	Performance Measure	# of Federal, State, and Local Law Enforcement Officers Trained ³	55,371	56,921	51,193	49,118	45,000	39,308	40,000	40,000
2.3	OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁴	††	††	††	††	††	††	††	††

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

¹ This does not include PTOs associated with DEA's Diversion Control Program.

² PTOs disrupted includes PTOs disrupted closed (PTARRS status code E) and PTOs disrupted pending dismantlement (PTARRS status code D).

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 two decision units (International Enforcement and Domestic Enforcement).

3. Performance, Resources, and Strategies

Pursuant to the DOJ Strategic Plan for FY 2014 – 2018, 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. DEA resources specifically address DOJ’s Strategic Objective 1.1: *Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats.*

DOJ Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. DEA resources specifically address DOJ’s Strategic Objective 2.1: *Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers;* and Strategic Objective 2.3: *Disrupt and dismantle major drug trafficking organizations to 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 by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats.*

DEA’s Counterterrorism Efforts

Output Performance Measure:

- *Percentage of IC RFIs provided by requested deadline*

FY 2015 Target: 100%

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 2013, DEA reported that 90.5 percent of IC RFIs were provided by the requested deadline. While the performance reported fell short of anticipated goals, because of their complex nature, DEA uses an internal tracking system to monitor the status of RFIs. Moreover, DEA has implemented analytical software to evaluate and address the increase in the number of requests received. NN continues to engage in an aggressive effort to increase the number of IC requests processed, and as such it remains confident in its ability to maintain timely responses to the IC.

Strategic Objective 2.3 – *Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.*

Priority Targeting Program

Output Performance Measure:

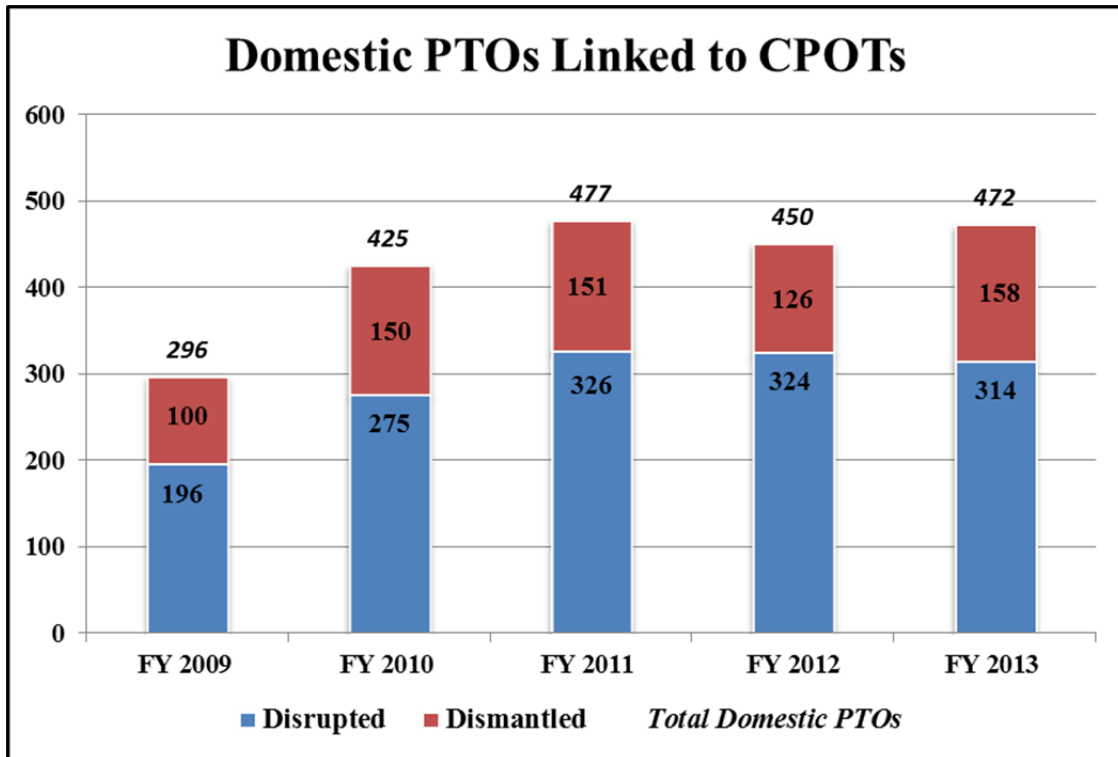
- *PTOs Linked to CPOT Targets Disrupted or Dismantled*

FY 2015 Target: 270/110

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

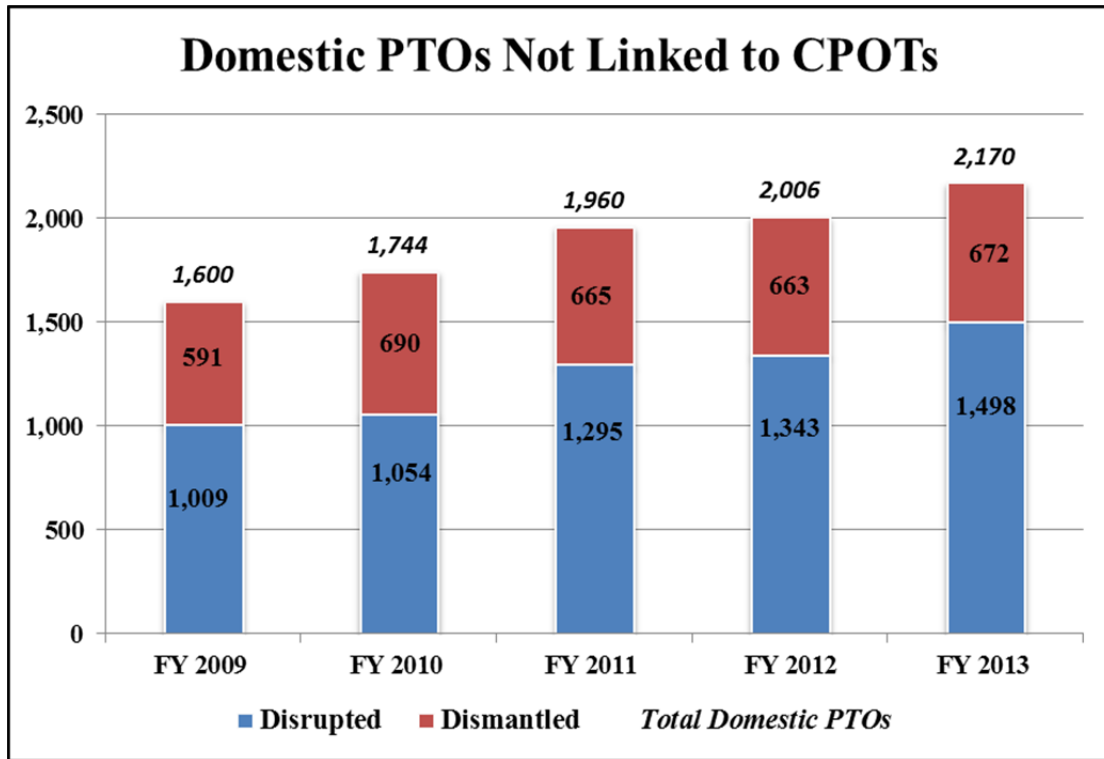
FY 2015 Target: 1,280/570

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 2013, DEA disrupted 314 and dismantled 158 PTOs linked to CPOT targets. This represents approximately 116 percent and 144 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 2013, DEA disrupted 1,498 and dismantled 672 PTOs not

linked to CPOT targets. This represents approximately 117 percent and 118 percent to target for each of the aforementioned dispositions, respectively.



DEA had 3,704 Special Agents on-board in domestic field divisions or Basic Agent Training at the end of FY 2013, a 3 percent decrease from the 3,814 that were on board at the end of FY 2012. Thus, DEA has experienced a decline in the number of Special Agent work hours (or FTE) available for PTO and non-PTO investigations, and correspondingly, the number of non-PTO cases initiated has similarly decreased, which diminishes the pool of “potential” PTOs. As a result, DEA has maximized its capacity to shift already diminished resources in furtherance of meeting its operational performance goals against high value targets, and as such DEA has been able maintain PTO performance outcomes to date. This has occurred because DEA prioritizes its efforts against drug trafficking organizations that pose the greatest threat to national security and public safety (i.e., CPOT linked PTOs). This shift in resources has, however, led to a decline in the rate at which overall PTO dispositions have occurred. A perpetual shift of resources in this manner would have made it difficult to maintain PTO performance outcomes if on-board staffing levels would have continued to decline in the future. Now that DEA will be able resume hiring in Special Agents again in FY 2014, DEA expects to continue to meet its targets for CPOT linked and non-CPOT linked PTO dispositions in FY 2014 and FY 2015.

State and Local Law Enforcement Officer Training

Output Performance Measure:

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

FY 2015 Target: 40,000

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 (LEOs) trained. For FY 2014 through FY 2015, DEA evaluated and adjusted its targets for the number of state and local officers trained to 40,000. 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. However, with an existing target of 45,000 state and local officers trained in FY 2013, DEA trained 39,038 state and local law enforcement officers, which represents 87.4 percent to target performance.

While the Office of Training funds Divisional Training Coordinators (DTCs), it does not mandate or require the DTCs to conduct state and local training. Hence, DTC training programs are discretionary expenditures determined by the DTC's SAC, Associated SAC and ASAC(s). Because of limited funding, the Office of Training has been constrained in the amount of funding that it can provide to the 21 DTCs for their respective training programs. In addition, the number of state and local officers trained may fluctuate from year-to-year due to the number of training sessions conducted in the field. Recognizing that the current fiscal environment has impacted the number of state and local officers receiving DEA funded training, DEA anticipates that it will meet its adjusted target of 40,000 state and local law enforcement officers trained in FY 2014 and FY 2015.

Drug Trafficker Revenue Denied

Outcome Performance Measure:

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

FY 2015 Target: \$2.80 Billion

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 and Domestic 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 2015:

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.

Coordinate Domestic Drug Enforcement Efforts with Federal, State, and Local Counterparts

DEA will continue to leverage the investigative resources and tools provided by various, Federal, state, and local task forces. State and local TFOs are primarily assigned to task force groups within DEA's Domestic Field Divisions and make up approximately one-third of DEA's domestic investigative workforce. As of December 2013, DEA led 192 state and local task forces. Moreover, these task forces consisted of an on-board strength of 1,812 DEA Special Agents and 2,157 state and local task force officers, all of whom are deputized with Title 21 authority and dedicated full-time to investigate major DTOs and address trafficking problems in their local communities.

Through OCDETF investigations, DEA and other participating agencies identify, disrupt, and dismantle the most serious drug trafficking and money laundering organizations and those primarily responsible for the nation's drug supply. DEA is the lead agency in 78 percent of all OCDETF investigations, and participates in 86 percent of the OCDETF investigations. In FY 2013, 38 percent of all DEA Special Agent investigative hours were on OCDETF cases. TFOs on DEA-lead task forces are also working OCDETF cases side-by-side with DEA and other agency personnel on these task forces. OCDETF reimbursed DEA for 1,285 positions, including 943 special agents, which represents just under half of the actual number of DEA positions that supported OCDETF cases. The OCDETF Fusion Center is co-located with DEA's Office of Special Intelligence in Merrifield, VA. Its purpose is to promote intelligence sharing between OCDETF participating agencies.

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.

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.

Prior to DEA's entrance in FY 2010, GangTECC supported only 100 cases in the three preceding fiscal years combined. Since then, under the operational direction of SOD, the multi-agency collaboration known as GangTECC/Operational Section: Gangs (OSG) has successfully coordinated several high impact gang operations. In FY 2011 the DEA component of GangTECC/OSG supported 102 cases that resulted in 853 gang arrests. Furthermore, in FY 2012, with a broad objective to increase gang arrests by 2 percent over the FY 2011 baseline, DEA/GangTECC supported 154 cases that accounted for 891 gang arrests, which represented a 4.4 percent increase. In FY 2013, DEA/GangTECC has supported 187 gang-related investigations that have resulted in 937 arrests; respectively 121 and 105 percent of FY 2012 actuals.

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. In FY 2013, GangTECC/OSG has conducted 20 outreach meetings throughout the country with Federal, state, and local law enforcement counterparts. Because of limited funding in FY 2013, the number of GangTECC outreach meetings was constrained. Hence, the reported number of FY 2013 outreach meetings represented 30 percent of FY 2012 actuals. Nevertheless, even though GangTECC will no longer be required to track or report the aforementioned performance measures to DOJ as part of its Priority Goal 2 initiative, it anticipates that with adequate funding, it will continue to responsibly achieve the goals of its mandate quarter by quarter, in FY 2014 and FY 2015.

This Page Intentionally Left Blank

C. State and Local Assistance

<i>State and Local Assistance</i>	Direct Pos.	Estimate FTE	Amount
2013 Enacted with Rescissions and Sequestration	31	23	\$5,321
2014 Enacted	26	19	\$4,021
Adjustments to Base and Technical Adjustments	0	0	\$88
2015 Current Services	26	19	\$4,109
2015 Program Increases	0	0	\$0
2015 Program Offsets	0	0	-\$206
2015 Request	26	19	\$3,903
Total Change 2014-2015	0	0	-\$118

1. Program Description

In FY 2015, DEA will continue to provide direct assistance to state and local law enforcement agencies through its State and Local Law Enforcement Officer Clandestine Laboratory Training and the Hazardous Waste Program (Clandestine Drug Laboratory Cleanup). DEA's S&E Account funds the 26 positions that coordinate the state and local clan lab cleanup and training programs, but funding for operational costs for these programs is provided to DEA by the Community Oriented Policing Services Office (COPS) program. In FY 2013, \$12.5 million was appropriated to COPS to transfer to DEA; however, due to sequestration and rescissions, only \$11.61 million was available after the transfer. In FY 2014, COPS received \$10 million to transfer to DEA. COPS's FY 2015 budget request includes \$7 million that it will provide to DEA for state and local methamphetamine lab cleanups and training. Additional funding for the program may be provided through the new Opportunity, Growth, and Security Initiative.

In addition to DEA's State and Local Assistance activities, DEA collaborates with its state and local law enforcement partners while carrying out its domestic law enforcement efforts. This includes both formal collaboration through task forces and the Domestic Cannabis Eradication/Suppression Program (DCE/SP), as well as less formal information sharing and deconfliction efforts. These efforts serve as a force multiplier with the added benefits of equitable sharing of asset seizures with state and local agencies that participate in DEA investigations. DEA identifies resources for these and joint law enforcement efforts as part of the Domestic Enforcement decision unit, not part of the State and Local Assistance decision unit.

DEA's State and Local Assistance Decision Unit consists of two programs: State and Local Law Enforcement Officer Clandestine Laboratory Training courses and DEA's Hazardous Waste Program (Clandestine Drug Laboratory Cleanup).

These program areas have performance measures related to their specific activities, and they are addressed below:

State and Local Law Enforcement Officer Clandestine Laboratory Training

As the nation's preeminent drug law enforcement organization, DEA has the added responsibility to respond to the drug enforcement training needs of the U.S. law enforcement community. Each law enforcement officer trained to conduct narcotics investigations contributes to the nationwide counterdrug effort. 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.



DEA Clandestine Laboratory Training

Because of the unique circumstances involving the actual raiding of a clandestine laboratory site, it was determined that there was a need for tactical training specifically designed for clandestine laboratory operations. The Clandestine Laboratory Tactical Training School was developed in FY 2000 and is designed for Special Agents and narcotics officers who are involved in clandestine laboratory raids, but have limited tactical training and experience. Topics covered during the training include: Raid Planning, Developing Operations Plans, Threat Assessment, Defensive tactics, Bombs and Booby Traps Raid Execution.

In addition to the domestic mission of training DEA Special Agents and state and local law enforcement personnel, the Clandestine Laboratory Training Unit provides First Responder/Awareness training and a First Responder/Awareness Train-the-Trainer Program to officers throughout the United States and law enforcement agencies throughout the world.

The DEA Basic Clandestine Laboratory Certification School is the most widely recognized law enforcement-sponsored clandestine laboratory training course meeting OSHA standards. It is available for DEA Special Agents and state and local officers throughout the United States and abroad. The DEA Clandestine Laboratory Training Unit also conducts an Advanced Site Safety Officer School for DEA and state and local officers. This school is designed to certify attendees as Clandestine Laboratory Site Safety Officers, an OSHA requirement for every clandestine laboratory site. Advanced assessment and investigative techniques are taught at this school.

DEA's Hazardous Waste Program (Clandestine Drug Laboratory Cleanup)

With the continued seizure of clandestine laboratories throughout the country, there have been corresponding problems confronting state and local agencies that are called to the scene of these laboratories. Often, it is state or local police who first encounter these laboratories and must ensure that they are investigated, dismantled, and disposed of appropriately. As the nation's leading drug law enforcement organization, DEA is in a unique position to assist state and local law enforcement with hazardous waste cleanups. DEA is able to provide this assistance in a cost effective manner by maintaining a nation-wide set of contracts and by working with its state and local counterparts to expand the use of the container program.

In FY 2013, DEA funded the pickup and disposal of 7,099 labs through 220 Container Program pickups from the 10 states participating in the program and also during this same period, DEA administered 792 state and local on-site contractor cleanups.



DEA Hazardous Waste Program – Field Exercises

The rapid spread of methamphetamine is due in part to the proliferation of small clandestine laboratories, known as “small toxic labs,” that generally are unaffiliated with major drug trafficking organizations and produce less than ten pounds of methamphetamine per production cycle. These “small toxic labs” are found in rural areas, tribal and federal lands, big cities, and suburbs. Through its sustained leadership and dedicated administration of the aforementioned training programs, DEA will continue to assist state and local law enforcement agencies with limited resources and experience, successfully confront the trafficking of methamphetamine and the related violent crime and health hazards that accompany it.

This page intentionally left blank

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: Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.												
RESOURCES			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Workload: Varies by Program												
Total Costs and FTE			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)			23	\$5,321 [\$8]	23	\$5,321 [\$8]	21	\$4,021 [\$8]	0	(\$118) [\$0]	21	\$3,903 [\$8]
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Program Activity	2.3	State and Local Assistance	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
			23	\$5,321 [\$8]	23	\$5,321 [\$8]	21	\$4,021 [\$8]	0	(\$118) [\$0]	21	\$3,903 [\$8]
Performance Measure	2.3	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	950		1,696		950		-		950	
†† See the International Enforcement Performance and Resources Table for related performance data.												
State and Local Clandestine Laboratory Training												
Data Definition: The DEA Training Academy tracks the number of State and Local Law Enforcement Officers trained in Clandestine Laboratory Enforcement and reports it quarterly based on the fiscal year.												
Data Validation and Verification: Data is reviewed upon receipt, but only technical or unusual deviations are checked.												

PERFORMANCE MEASURE TABLE										
Decision Unit: State and Local Assistance										
Stategic Objective	Performance Report and Performance Plan Targets		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
2.3	Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement	873	1,306	1,384	1,023	950	1,696	950	950

3. Performance, Resources, and Strategies

Pursuant to the DOJ Strategic Plan for FY 2014 – 2018, DEA’s State and Local Assistance Decision Unit contributes to its Strategic Goals as follows:

DOJ Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law. DEA resources specifically address DOJ’s Strategic Objective 2.3: *Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.*

a. Performance Plan and Report for Outcomes

Strategic Objective 2.3 – *Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.*

DEA’s State and Local Assistance Decision Unit consists of two programs: State and Local Law Enforcement Officer Clandestine Laboratory Training courses and DEA’s Hazardous Waste Program (Clandestine Drug Laboratory Cleanup). 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

Output Performance Measure:

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

FY 2015 Target: 950

Teaching others the techniques used to investigate and dismantle clandestine labs acts as a force multiplier for DEA. In FY 2013, DEA has trained 1,696 state and local law enforcement officers in clandestine laboratory enforcement investigative methods and safety techniques. From FY 2000 through FY 2013, DEA has trained a total of 16,774 state and local law enforcement officers in identifying and processing clandestine laboratories. Because of what appears to be increasing demand for DEA’s State and Local Law Enforcement Officer Clandestine Laboratory Training courses and its Hazardous Waste Program (Clandestine Drug Laboratory Cleanup), DEA will evaluate the aforementioned target as the fiscal restrictions imposed by the Sequester recedes. To that end, DEA anticipates meeting or exceeding the established targets of 950 state and local law enforcement officers trained for FY 2014 and FY 2015.

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

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

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

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 (Note: contractor cleanup costs average \$2,564, while container cleanup costs average \$258).

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. There are currently ten states that have operational container programs: Illinois, Alabama, Virginia, Indiana, Oklahoma, North Carolina, Kentucky, Arkansas, Tennessee, and Michigan. DEA is working with 6 other states to implement the program: Mississippi, New York, Florida, Pennsylvania, Kansas, and Ohio. These states are expected to become operational in FY 2014. DEA continues to provide training and assistance for the operational states.

D. Diversion Control Fee Account

<i>Diversion Control Fee Account</i>	Direct Pos.	Estimate FTE	Amount
2013 Enacted with Rescissions and Sequestration	1,497	1,362	\$334,852
2014 Enacted	1,497	1,454	\$335,287
Adjustments to Base and Technical Adjustments	0	0	\$31,393
2015 Current Services	1,497	1,454	\$366,680
2015 Program Increases	0	0	\$0
2015 Program Offsets	0	0	\$0
2015 Request	1,497	1,454	\$366,680
Total Change 2014-2015	0	0	\$31,393

1. Program Description

DEA's Diversion Control Program (DCP) is responsible for enforcing 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. DEA actively monitors more than 1.5 million individuals and companies that are registered with DEA to handle controlled substances or listed chemicals through a system of scheduling, quotas, recordkeeping, reporting, and security requirements. DEA's is using both criminal and regulatory tools 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. DCFA Registration fees are set at a level that ensures the recovery of the full costs of operating the DCP.



This Page Intentionally Left Blank

2. Performance and Resource Tables

PERFORMANCE AND RESOURCES TABLE												
Decision Unit: Diversion Control												
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law												
Strategic Objective 2.3: Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.												
RESOURCES			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Changes		FY 2015 Request	
Number of Criminal Case Initiations ¹			1,929		1,998		1,929		-		1,929	
Active Diversion PTOs ²			560		712		560		-		560	
Number of Drug and Chemical New Applicants Processed (throughout the FY)			79,955		101,245		79,955		-		79,955	
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
			1,362	\$334,852 [\$0]	1,362	\$334,852 [\$0]	1,454	\$335,287 [\$0]	0	\$31,393 [\$0]	1,454	\$366,680 [\$0]
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2013		FY 2013		FY 2014		Current Services Adjustments and FY 2015 Program Change		FY 2015 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	2.3	Diversion of Licit Drugs and Chemicals	1,362	\$334,852 [\$0]	1,362	\$334,852 [\$0]	1,454	\$335,287 [\$0]	0	\$31,393 [\$0]	1,454	\$366,680 [\$0]
Performance Measure: Output	2.3	Number of Administrative Sanctions	n/a		2,268		††				††	
Performance Measure: Output	2.3	Number of Civil Fines	n/a		87		††				††	
Performance Measure: Output	2.3	Number of Diversion PTOs Linked to CPOT Targets Disrupted / Dismantled ²	0/0		3/0		0/0		-		0/0	
Performance Measure: Output	2.3	Number of Diversion PTOs Not Linked to CPOT Targets Disrupted / Dismantled	220/130		288/172		275/150		-		275/150	
Performance Measure: Output	2.3	Number of Outreach/Public Education Events Completed (Overall)	n/a		114		††				††	
Performance Measure: Output	2.3	Number of Planned Scheduled Investigations Completed (Overall)	3,906		5,685		4,200		-		3,200	

Diversion Control Performance/Resources Table 1 Footnotes

¹ Criminal cases will be determined by the use of DEA's Case Status Subsystem (CAST) to obtain records with 2000 series Diversion case files and class codes 40/50. In addition, DEA case file records for non-2000 series non-general file with fee fundable GDEP drug codes are included.

² Reflects active PTO investigations as of the end of the specified fiscal year. 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.

^{††} DEA will use FY 2013 and 2014 to establish baselines for new measures. Additional information is provided for each measure in Section D.3.a

Data Definitions:

Types of Registrants:

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

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

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

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

Sanction Categories:

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

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

* Note: The Adjusted Number of Type B Registrants excludes researchers and analytical labs because the amount of controlled substances maintained or supplied to these type B registrants is minimal and the risk to public safety nominal, relative to the vast amount of controlled substances handled by manufacturers, distributors, importer/exporters and narcotic treatment programs.

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

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

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

PERFORMANCE MEASURE TABLE

Decision Unit: Diversion Control

Strategic Objective	Performance Report and Performance Plan Targets		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013		FY 2014	FY 2015
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
2.3	Performance Measure	Number of Administrative Sanctions	n/a	n/a	n/a	n/a	††	2,268	††	††
2.3	Performance Measure	Number of Civil Fines	n/a	n/a	n/a	n/a	††	87	††	††
2.3	Performance Measure	Number of Diversion PTOs Linked to CPOT Targets Disrupted & Dismantled ¹	2/1	2/2	3/8	5/0	0/0	3/0	0/0	0/0
2.3	Performance Measure	Number of Diversion PTOs Not Linked to CPOT Targets Disrupted & Dismantled ¹	112/109	154/104	184/151	214/156	220/130	288/172	275/150	275/150
2.3	Performance Measure	Number of Planned Scheduled Investigations Completed (Overall)	1,065	3,554	4,340	4,668	3,906	5,685	4,200	3,200
2.3	Performance Measure	Number of Outreach/Public Education Events Completed (Overall)	n/a	n/a	n/a	n/a	††	114	††	††

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 use FY 2013 and 2014 to establish baselines for new measures.

This Page Intentionally Left Blank

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: "Disrupt and dismantle major drug trafficking organizations to 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 disruption or dismantling of Diversion PTOs linked to CPOTs has been low and insignificant compared to DEA's overall disruption and dismantling of PTOs linked to CPOTs. This is not the focus of the Diversion program, and as such, there may not be any disruptions or dismantling 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 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:

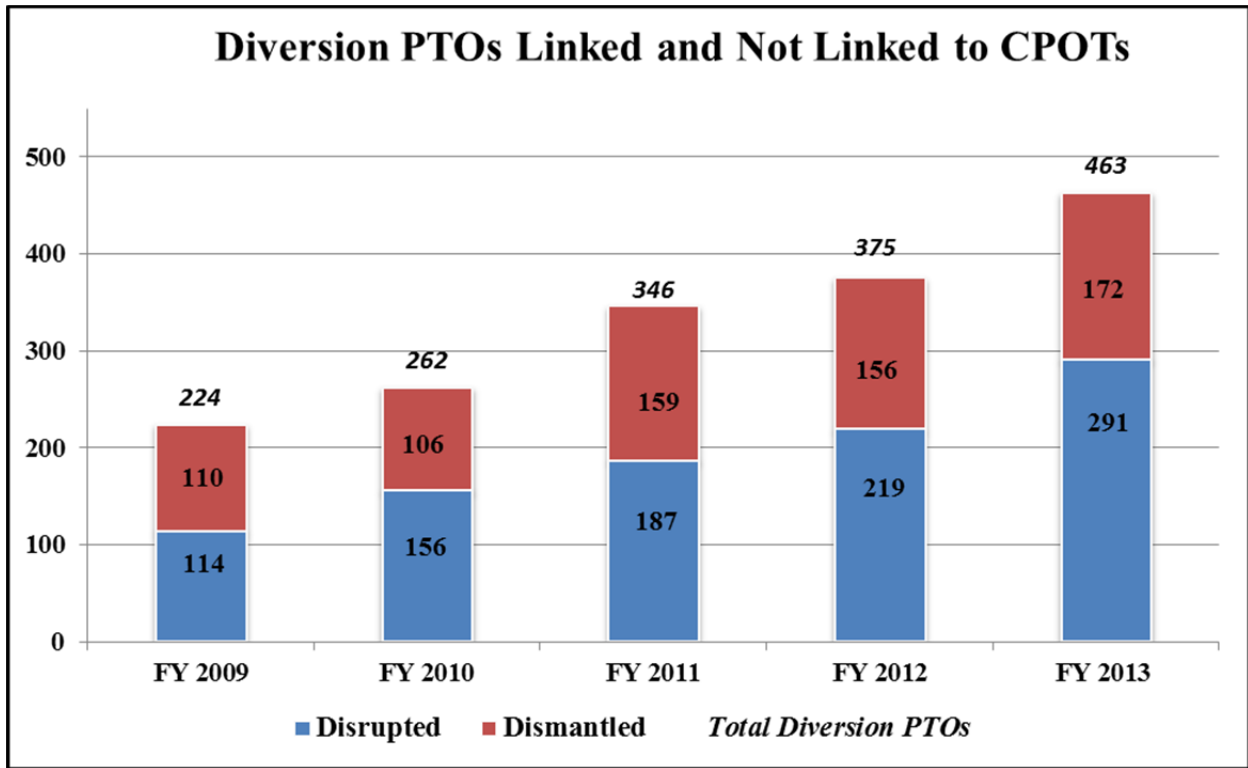
- Administrative actions are handled by DEA and can include (1) a letter of admonition to advise the registrant of any violations; (2) memorandum of agreement, an agreement between DEA and a registrant in which the registrant agrees to specific behavior; (3) an order to show cause, which initiates revocation 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. Civil violations are typically recordkeeping violations involving controlled substances or listed chemicals. Penalties for civil actions generally include monetary fines.

In FY 2012, the Diversion Control Program (DCP) reported 2,143 administrative actions or civil fines. Because of unique distinctions between administrative and civil actions, DEA began reporting these measures separately in FY 2013. Because FY 2013 is the first year they will be reported separately, DEA will wait to establish a baseline before reporting projections for these two measures. Administrative actions taken due to the results of criminal investigations will continue to be reported as an administrative action.

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 219 and the number of PTOs dismantled was 156. In FY 2013, the number of PTOs disrupted was 291 and the number of PTOs dismantled was 172.

The Diversion Control Program work plan anticipates a decrease in the Number of Planned Scheduled Investigations Completed (Overall) in 2014 and 2015, due to a change in the scheduled investigations. While the frequency of investigations for certain classes of registrants (i.e. drug and chemical distributor registrants) will increase, and the number of pharmacies subject to investigation will be broadened, the frequency of investigations for other classes or registrants (i.e. DATA-waived practitioners) will actually decrease. These changes will take effect mid-FY 2014 and be in effect for all of FY 2015.

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 setting a target. In FY 2013, DEA conducted 114 outreach and public education events.



Outcome Measure:

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

b. Strategies to Accomplish Outcomes

DOJ Strategic Objective 2.3: “Disrupt and dismantle major drug trafficking organizations to 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). TDSs also play an important role in addressing the growing problem of emerging synthetic designer drugs. TDS groups buy these substances which are analyzed and used to support DEA's temporary scheduling actions. As of February 2014, DEA has 66 TDSs, of which 58 are operational in 41 states, Puerto Rico, and the District of Columbia.

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 has established an approach to ensure that registrants understand that they have a responsibility to identify suspicious orders and prevent the illicit distribution of controlled pharmaceuticals. Under this approach, DEA utilizes internal information systems to identify wholesale distributors and pharmacies that may be supplying, selling, or dispensing controlled substances illegally; analyzes and extrapolates other intelligence to determine which pharmacies and wholesalers are involved in the illegal distribution of controlled pharmaceuticals; deploys Special Agents and Diversion Investigators to investigate the illegal activities; executes Administrative Inspection Warrants; and issues Immediate Suspension Orders or Orders to Show Cause that could result in the revocation of DEA registrations. Investigations are presented to the United States Attorney's Offices and in some instances to state prosecutors for criminal or

civil prosecution. Implementation of this multi-pronged approach reduces the diversion of controlled pharmaceuticals. During FY 2013, the DCP continued its Distributor Initiative to help ensure that wholesale distributors comply with all aspects of the Controlled Substances Act (CSA) and its implementing regulations. Since its inception in 2005, 81 corporations consisting of over 223 individual distribution centers have been briefed.

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. In FY 2013, OD hosted 18 such conferences in 9 states. 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 eight 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.

V. Program Offsets by Item

Item Name: **Miscellaneous Program and Administrative Reductions**

Strategic Goal: Goals 1 & 2

Strategic Objective: Objectives 1.1 & 2.3

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

Organizational Program: Agency-Wide

Program Offset: Positions 0 Agt/Atty 0 FTE 0 Dollars -\$75,160,000

Description of Item

Program and administrative reductions to be identified once funds are appropriated.

Justification

Reductions to existing operations and services necessary to pay for increases in existing costs, including pay raises, FERS contributions, State Department charges, and GSA rent, among others. Program and administrative reductions to be identified once funds are appropriated.

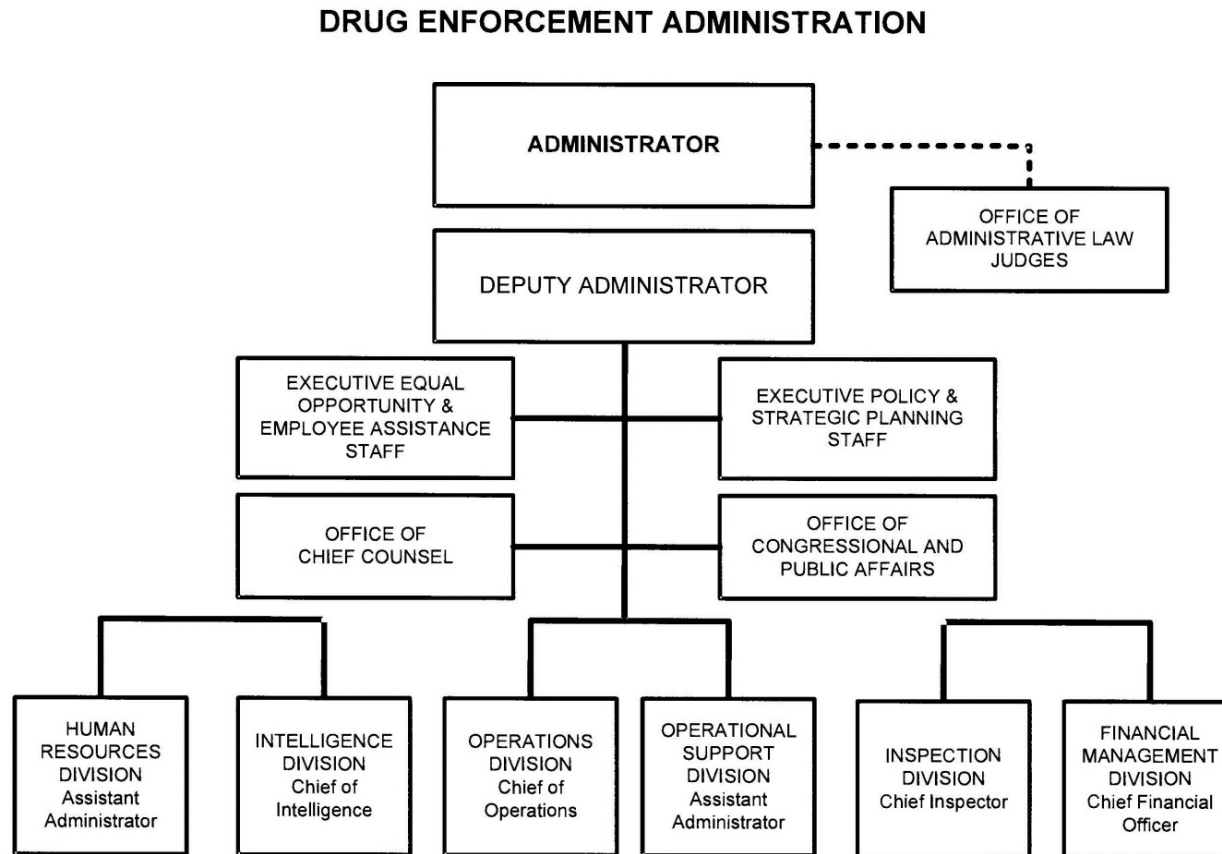
Impact on Performance

Performance impact information is not yet available for this offset.

This Page Intentionally Left Blank

VI. Exhibits

A: Organizational Chart




Approved by:  Date: 5/16/13
ERIC H. HOLDER, JR.
Attorney General

Exhibit A - Organizational Chart

This page intentionally left blank

B. Summary of Requirements

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

	FY 2015 Request		
	Direct Positions	FTE	Amount
2013 Enacted	8,197	6,826	2,050,904
2013 Rescissions (1.877% & 0.2%)			-42,520
2013 Sequester			-102,110
2013 Hurricane Sandy Supplemental			1,000
Total 2013 Enacted (with Rescissions and Sequester)	8,197	6,826	1,906,274
2014 Enacted	8,197	6,566	2,018,000
2014 Balance Rescission			0
Total 2014 Enacted (with Balance Rescission)	8,197	6,566	2,018,000
Base Adjustments			
Pay and Benefits	0	0	31,192
Domestic Rent and Facilities	0	0	7,164
Other Adjustments	0	51	3,555
Foreign Expenses	0	0	33,249
Total Base Adjustments	0	51	75,160
Total Technical and Base Adjustments	0	51	75,160
2015 Current Services	8,197	6,617	2,093,160
Program Changes			
No Increases	0	0	0
Offsets:			
Miscellaneous Program and Administrative Reductions	0	0	-75,160
Subtotal, Offsets	0	0	-75,160
Total Program Changes	0	0	-75,160
2015 Total Request	8,197	6,617	2,018,000
2015 Balance Rescission			0
2015 Total Request (with Balance Rescission)	8,197	6,617	2,018,000
2014 - 2015 Total Change	0	51	0

Note: The FTE for FY 2013 is actual and for FY 2014 and FY 2015 is estimated.

B. Summary of Requirements

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

Program Activity	2013 Enacted with Rescissions and Sequester			2014 Enacted			2015 Technical and Base Adjustments			2015 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Domestic Enforcement	7,092	5,815	1,522,581	7,097	5,592	1,592,177	0	44	35,870	7,097	5,636	1,628,047
International Enforcement	1,074	988	379,372	1,074	955	421,802	0	7	39,202	1,074	962	461,004
State and Local Assistance	31	23	5,321	26	19	4,021	0	0	88	26	19	4,109
Total Direct	8,197	6,826	1,907,274	8,197	6,566	2,018,000	0	51	75,160	8,197	6,617	2,093,160
Balance Rescission			0			0			0			0
Total Direct with Rescission			1,907,274			2,018,000			75,160			2,093,160
Reimbursable FTE		1,331			1,319			-70			1,249	
Total Direct and Reimb. FTE		8,157			7,885			-19			7,866	
Other FTE:												
LEAP		863			830			7			837	
Overtime		51			49			0			49	
Grand Total, FTE		9,071			8,764			-12			8,752	

Program Activity	2015 Increases			2015 Offsets			2015 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Domestic Enforcement	0	0	0	0	0	-51,888	7,097	5,636	1,576,159
International Enforcement	0	0	0	0	0	-23,066	1,074	962	437,938
State and Local Assistance	0	0	0	0	0	-206	26	19	3,903
Total Direct	0	0	0	0	0	-75,160	8,197	6,617	2,018,000
Balance Rescission			0			0			0
Total Direct with Rescission			0			-75,160			2,018,000
Reimbursable FTE		0			0			1,249	
Total Direct and Reimb. FTE		0			0			7,866	
Other FTE:									
LEAP		0			0			837	
Overtime		0			0			49	
Grand Total, FTE		0			0			8,752	

B. Summary of Requirements

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

	FY 2015 Request		
	Direct Positions	FTE	Amount
2013 Enacted	1,497	1,362	351,937
2013 Sequester			-17,085
Total 2013 Enacted (with Sequester)	1,497	1,362	334,852
2014 Enacted	1,497	1,454	360,917
2014 Sequester			-25,630
Total 2014 Enacted (with Sequester)	1,497	1,454	335,287
Base Adjustments			
Pay and Benefits	0	0	4,358
Domestic Rent and Facilities	0	0	914
Other Adjustments	0	0	25,630
Foreign Expenses	0	0	491
Total Base Adjustments	0	0	31,393
Total Technical and Base Adjustments	0	0	31,393
2015 Current Services	1,497	1,454	366,680
Program Changes			
No Increases	0	0	0
No Offsets	0	0	0
Total Program Changes	0	0	0
2015 Total Request	1,497	1,454	366,680
2015 Balance Rescission			0
2015 Total Request (with Balance Rescission)	1,497	1,454	366,680
2014 - 2015 Total Change	0	0	5,763

Note: The FTE for FY 2013 is actual and for FY 2014 and FY 2015 is estimated.

B. Summary of Requirements

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

Program Activity	2013 Enacted with Rescissions and Sequester			2014 Enacted with Sequester			2015 Technical and Base Adjustments			2015 Current Services		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Diversion Control Program	1,497	1,362	334,852	1,497	1,454	335,287	0	0	31,393	1,497	1,454	366,680
Total Direct	1,497	1,362	334,852	1,497	1,454	335,287	0	0	31,393	1,497	1,454	366,680
Balance Rescission			0			0			0			0
Total Direct with Rescission			334,852			335,287			31,393			366,680
Reimbursable FTE		0			0			0			0	
Total Direct and Reimb. FTE		1,362			1,454			0			1,454	
Other FTE:												
LEAP		94			94			0			94	
Overtime		15			16			0			16	
Grand Total, FTE		1,471			1,564			0			1,564	

Program Activity	2015 Increases			2015 Offsets			2015 Request		
	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount	Direct Pos.	Est. FTE	Amount
Diversion Control Program	0	0	0	0	0	0	1,497	1,454	366,680
Total Direct	0	0	0	0	0	0	1,497	1,454	366,680
Balance Rescission			0			0			0
Total Direct with Rescission			0			0			366,680
Reimbursable FTE		0			0			0	
Total Direct and Reimb. FTE		0			0			1,454	
Other FTE:									
LEAP		0			0			94	
Overtime		0			0			16	
Grand Total, FTE		0			0			1,564	

C. Program Changes by Decision Unit

FY 2015 Program Increases/Offsets by Decision Unit

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Program Increases	Location of Description by Program Activity	Domestic Enforcement				International Enforcement			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
No Increases		0	0	0	0	0	0	0	0
Total Program Increases		0	0	0	0	0	0	0	0

Program Increases	Location of Description by Program Activity	State and Local Assistance				Total Increases			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
No Increases		0	0	0	0	0	0	0	0
Total Program Increases		0	0	0	0	0	0	0	0

Program Offsets	Location of Description by Program Activity	Domestic Enforcement				International Enforcement			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
Miscellaneous Program and Administrative Reductions	Domestic, International, State & Local	0	0	0	-51,888	0	0	0	-23,066
Total Program Offsets		0	0	0	-51,888	0	0	0	-23,066

Program Offsets	Location of Description by Program Activity	State and Local Assistance				Total Offsets			
		Direct Pos.	Agt./ Atty.	Est. FTE	Amount	Direct Pos.	Agt./ Atty.	Est. FTE	Amount
Miscellaneous Program and Administrative Reductions	Domestic, International, State & Local	0	0	0	-206	0	0	0	-75,160
Total Program Offsets		0	0	0	-206	0	0	0	-75,160

This page intentionally left blank

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	2013 Enacted with Rescissions and Sequester		2014 Enacted		2015 Current Services		2015 Increases		2015 Offsets		2015 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 by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats												
1.2 Prosecute those involved in terrorist acts.	302	78,383	287	84,394	258	87,423	0	0	0	-3,030	258	84,394
1.3 Investigate and prosecute espionage activity against the United States, strengthen partnerships with potential targets of intelligence intrusions, and proactively prevent insider threats	0	0	0	0	0	0	0	0	0	0	0	0
1.4 Combat cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of cyber threat actors	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal, Goal 1	302	78,383	287	84,394	258	87,423	0	0	0	-3,030	258	84,394
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 by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers	0	0	0	0	0	0	0	0	0	0	0	0
2.2 Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims	0	0	0	0	0	0	0	0	0	0	0	0
2.3 Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs	7,855	1,828,891	7,598	1,933,606	7,608	2,005,737	0	0	0	-72,130	7,608	1,933,606
2.4 Investigate and prosecute corruption, economic crimes, and transnational organized crime	0	0	0	0	0	0	0	0	0	0	0	0
2.5 Promote and protect American civil rights by preventing and prosecuting discriminatory practices	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	7,855	1,828,891	7,598	1,933,606	7,608	2,005,737	0	0	0	-72,130	7,608	1,933,606
TOTAL	8,157	1,907,274	7,885	2,018,000	7,866	2,093,160	0	0	0	-75,160	7,866	2,018,000

Note: FY 2013 includes supplemental appropriations.

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	2013 Enacted with Rescissions and Sequester		2014 Enacted		2015 Current Services		2015 Increases		2015 Offsets		2015 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 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 by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers	0	0	0	0	0	0	0	0	0	0	0	0
2.2 Prevent and intervene in crimes against vulnerable populations and uphold the rights of, and improve services to America's crime victims	0	0	0	0	0	0	0	0	0	0	0	0
2.3 Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs	1,362	334,852	1,454	335,287	1,454	366,680	0	0	0	0	1,454	366,680
2.4 Investigate and prosecute corruption, economic crimes, and transnational organized crime	0	0	0	0	0	0	0	0	0	0	0	0
2.5 Promote and protect American civil rights by preventing and prosecuting discriminatory practices	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	1,362	334,852	1,454	335,287	1,454	366,680	0	0	0	0	1,454	366,680
TOTAL	1,362	334,852	1,454	335,287	1,454	366,680	0	0	0	0	1,454	366,680

Note: Excludes Balance Rescission and/or Supplemental Appropriations.

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
Pay and Benefits			
1 <u>2015 Pay Raise:</u> This request provides for a proposed 1 percent pay raise to be effective in January of 2015. The amount request, \$6,887,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$4,681,000 for pay and \$2,206,000 for benefits.)	0	0	6,887
2 <u>Annualization of 2014 Pay Raise:</u> This pay annualization represents first quarter amounts (October through December) of the 2014 pay increase of 1.0% included in the 2014 President's Budget. The amount requested \$2,419,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$1,644,000 for pay and \$775,000 for benefits).	0	0	2,419
3 <u>FERS Regular/Law Enforcement Retirement Contribution:</u> Effective October 1, 2014 (FY 2015), the new agency contribution rates of 13.2% (up from the current 11.9%, or an increase of 1.3%) and 28.8% for law enforcement personnel (up from the current 26.3%, or an increase of 2.5%). The amount requested, \$18,296,000, represents the funds needed to cover this increase.	0	0	18,296
4 <u>Health Insurance:</u> Effective January 2015, the component's contribution to Federal employees' health insurance increases by 3.9 percent. Applied against the 2014 estimate of \$60,851,000, the additional amount required is \$2,364,000.	0	0	2,364
5 <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 \$1,226,000 is necessary to meet our increased retirement obligations as a result of this conversion.	0	0	1,226
Subtotal, Pay and Benefits	0	0	31,192
Domestic Rent and Facilities			
1 <u>General Services Administration (GSA) Rent:</u> GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$3,502,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2015 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provides data on the rate increases.	0	0	3,502
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 2015.	0	0	3,662
Subtotal, Domestic Rent and Facilities	0	0	7,164
Other Adjustments			
1 <u>Land Mobile Radio:</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 \$3,555,000.	0	0	3,555
2 <u>FTE Adjustments:</u> DEA anticipates using an additional 51 Full Time Equivalents (FTE) in 2015.	0	51	0
Subtotal, Other Adjustments	0	51	3,555

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. \$1,170,000 reflects the increase in cost to support existing staffing levels.	0	0	1,170
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. \$2,381,000 reflects the change in cost to support existing staffing levels.	0	0	2,381
3 <u>International Cooperative Administrative Support Services (ICASS):</u> The Department of State charges agencies for administrative support provided to staff based overseas. Charges are determined by a cost distribution system. The FY 2015 request is based on the projected FY 2014 bill for post invoices and other ICASS costs.	0	0	2,154
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. \$210,000 reflects the change in cost to support existing staffing levels.	0	0	210
5 <u>Capital Security Cost Sharing (CSCS):</u> Per 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 FY 2000-2004, 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. For the purpose of this program, State's personnel totals specifically for DEA include 927 current positions and 89 planned overseas positions. The estimated cost to the Department, as provided by State, for FY 2015 is \$143,817,609. DEA's portion of this bill is \$77,559,221.	0	0	27,334
Subtotal, Foreign Expenses	0	0	33,249
TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS	0	51	75,160
ATB Reimbursable FTE Changes			
1 <u>ATB Reimbursable FTE Adjustments</u>		-70	
Subtotal, Reimbursable FTE Changes		-70	

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>2015 Pay Raise:</u> This request provides for a proposed 1 percent pay raise to be effective in January of 2015. The amount request, \$1,425,000, represents the pay amounts for 3/4 of the fiscal year plus appropriate benefits (\$1,096,000 for pay and \$329,000 for benefits.)	0	0	1,425
2 <u>Annualization of 2014 Pay Raise:</u> This pay annualization represents first quarter amounts (October through December) of the 2014 pay increase of 1.0% included in the 2014 President's Budget. The amount requested \$511,000, represents the pay amounts for 1/4 of the fiscal year plus appropriate benefits (\$393,000 for pay and \$118,000 for benefits).	0	0	511
3 <u>FERS Regular/Law Enforcement Retirement Contribution:</u> Effective October 1, 2014 (FY 2015), the new agency contribution rates of 13.2% (up from the current 11.9%, or an increase of 1.3%) and 28.8% for law enforcement personnel (up from the current 26.3%, or an increase of 2.5%). The amount requested, \$1,879,000, represents the funds needed to cover this increase.	0	0	1,879
4 <u>Health Insurance:</u> Effective January 2015, the component's contribution to Federal employees' health insurance increases by 3.9 percent. Applied against the 2014 estimate of \$9,952,000, the additional amount required is \$387,000.	0	0	387
5 <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 \$156,000 is necessary to meet our increased retirement obligations as a result of this conversion.	0	0	156
Subtotal, Pay and Benefits	0	0	4,358
Domestic Rent and Facilities			
1 <u>General Services Administration (GSA) Rent:</u> GSA will continue to charge rental rates that approximate those charged to commercial tenants for equivalent space and related services. The requested increase of \$447,000 is required to meet our commitment to GSA. The costs associated with GSA rent were derived through the use of an automated system, which uses the latest inventory data, including rate increases to be effective FY 2015 for each building currently occupied by Department of Justice components, as well as the costs of new space to be occupied. GSA provides data on the rate increases.	0	0	447
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 2015.	0	0	467
Subtotal, Domestic Rent and Facilities	0	0	914
Other Adjustments			
1 <u>Restoration of Sequestration:</u> Because DCFA is a mandatory, non-defense account, it will be subject to a \$25,630,000 (7.2 percent) sequestration in FY 2014. In FY 2014, DEA will utilize balances from prior fee collections to maintain current services for its Diversion Control Program. An FY 2015 base adjustment of \$25,630,000 is required to maintain DEA's current service level for the Diversion Control Program in FY 2015. This will be funded by FY 2015 fee collections and balances. Please see Exhibits F, G, and M for additional information on DCFA balances.	0	0	25,630
Subtotal, Other Adjustments	0	0	25,630

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. \$16,000 reflects the increase in cost to support existing staffing levels.	0	0	16
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. \$32,000 reflects the change in cost to support existing staffing levels.	0	0	32
3 <u>International Cooperative Administrative Support Services (ICASS):</u> The Department of State charges agencies for administrative support provided to staff based overseas. Charges are determined by a cost distribution system. The FY 2015 request is based on the projected FY 2014 bill for post invoices and other ICASS costs.	0	0	32
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. \$3,000 reflects the change in cost to support existing staffing levels.	0	0	3
5 <u>Capital Security Cost Sharing (CSCS):</u> Per 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 FY 2000-2004, 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. For the purpose of this program, State's personnel totals specifically for DEA include 927 current positions and 89 planned overseas positions. The estimated cost to the Department, as provided by State, for FY 2015 is \$143,817,609. DEA's portion of this bill is \$77,559,221.	0	0	408
Subtotal, Foreign Expenses	0	0	491
TOTAL DIRECT TECHNICAL and BASE ADJUSTMENTS	0	0	31,393

F. Crosswalk of 2013 Availability

Crosswalk of 2013 Availability
Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Program Activity	2013 Appropriation Enacted w/o Balance Rescission ¹			Supplementals			Sequester			Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2013 Actual		
	Direct Pos.	Actual FTE	Amount	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	988	399,537	0	0	0	0	0	-20,164	0	0	29,379	23,214	2,216	1,074	988	434,182
Domestic Enforcement	7,092	5,815	1,603,244	0	0	1,000	0	0	-81,664	0	0	74,796	11,836	21,249	7,092	5,815	1,630,461
State and Local Assistance	31	23	5,603	0	0	0	0	0	-911	0	0	14,159	4,590	1,007	31	23	24,448
Total Direct	8,197	6,826	2,008,384	0	0	1,000	0	0	-102,739	0	0	118,334	39,640	24,472	8,197	6,826	2,089,091
Reimbursable FTE		1,331			0			0			0						1,331
Total Direct and Reimb. FTE		8,157			0			0			0						8,157
Other FTE:																	
LEAP		863			0			0			0						863
Overtime		51			0			0			0						51
Grand Total, FTE		9,071			0			0			0						9,071

Footnotes:

1) The 2013 Enacted appropriation includes the 2 across-the-board rescissions of 1.877% and 0.2%

Reprogramming/Transfers

- 1) \$96,400,000 has been transferred from expired accounts to DEA's no-year account;
- 2) \$15,549,923 has been transferred from HIDTA to DEA;
- 3) \$12,240,844 has been transferred from COPS to DEA;
- 4) \$356,610 has been transferred from DEA to HIDTA; and
- 5) \$5,500,000 has been transferred from DEA to Federal Prisons

Carryover:

DEA has carried forward \$50,401,655 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 \$38,547,261 and anticipates the recovery and collection of \$17,376,680 in prior year obligations from S&E no-year, S&E multi-year, and VCRP appropriations.

F. Crosswalk of 2013 Availability

Crosswalk of 2013 Availability
Drug Enforcement Administration
Diversion Control Fee Account
(Dollars in Thousands)

Program Activity	2013 Collections			Sequester			Carryover Amount	Recoveries/ Refunds Amount	2013 Actual		
	Direct Pos.	Actual FTE	Amount	Direct Pos.	Actual FTE	Amount			Direct Pos.	Actual FTE	Amount
Diversion Control Program	1,497	1,372	344,326	0	0	-17,085	52,619	11,684	1,497	1,372	391,544
Total Direct	1,497	1,372	344,326	0	0	-17,085	52,619	11,684	1,497	1,372	391,544
Reimbursable FTE		0			0					0	
Total Direct and Reimb. FTE		1,372			0					1,372	
Other FTE:											
LEAP		60			0					60	
Overtime		17			0					17	
Grand Total, FTE		1,449			0					1,449	

Footnotes:

Collections: In FY 2013, fee collections are \$344,325,857 (after the first \$15 million is deposited into the Treasury General Account), which is \$9,473,857 above the FY 2013 budget amount of \$334,852,000.

Carryover: DEA's Diversion Control Fee Account carried over \$52,618,810 in FY 2013.

Recoveries: DEA's Diversion Control Fee Account recovered \$11,423,135 and had \$261,180 in refunds and OGV proceeds in FY 2013.

G. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

Drug Enforcement Administration
Salaries and Expenses
(Dollars in Thousands)

Program Activity	FY 2014 Enacted			Reprogramming/Transfers			Carryover	Recoveries/Refunds	2014 Availability		
	Direct Pos.	Estim. FTE	Amount	Direct Pos.	Estim. FTE	Amount	Amount	Amount	Direct Pos.	Estim. FTE	Amount
International Enforcement	1,074	955	421,802	0	0	0	46,674	1,929	1,074	955	470,405
Domestic Enforcement	7,097	5,592	1,592,177	0	0	12	39,415	18,639	7,097	5,592	1,650,243
State and Local Assistance	26	19	4,021	0	0	10,000	18,105	705	26	19	32,831
Total Direct	8,197	6,566	2,018,000	0	0	10,012	104,195	21,273	8,197	6,566	2,153,479
Balance Rescission			0								0
Total Direct with Rescission			2,018,000			10,012	104,195	21,273	8,197		2,153,479
Reimbursable FTE		1,319			0		0	0	0	1,319	
Total Direct and Reimb. FTE		7,885			0		0	0	0	7,885	
Other FTE:											
LEAP		830			0		0	0	0	830	
Overtime		49			0		0	0	0	49	
Grand Total, FTE		8,764			0		0	0	0	8,764	

Reprogramming/Transfers: DEA anticipates \$10,011,614:

- 1) \$0 is anticipated to be transferred from expired accounts to DEA's no-year account;
- 2) \$11,614 has been transferred from HIDTA to DEA;
- 3) \$10,000,000 is anticipated to be transferred from COPS to DEA;

Carryover: DEA has carried forward \$104,194,517 in unobligated balances from FY 2013 to FY 2014 from S&E no-year, S&E multi-year, VCRP, and construction appropriations.

Recoveries/Refunds: DEA anticipates the recovery and collection of \$21,272,661 in prior year obligations from S&E no-year, S&E multi-year, and VCRP appropriations.

G. Crosswalk of 2014 Availability

Crosswalk of 2014 Availability

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

Program Activity	FY 2014 Projected Collections			Sequestration			Reprogramming/Transfers			Carryover	Recoveries/ Refunds	2014 Availability		
	Direct Pos.	Estim. FTE	Amount	Direct Pos.	Estim. FTE	Amount	Direct Pos.	Estim. FTE	Amount	Amount	Amount	Direct Pos.	Estim. FTE	Amount
Diversion Control Program	1,497	1,454	352,969	0	0	-25,630	0	0	0	100,744	12,186	1,497	1,454	440,269
Total Direct	1,497	1,454	352,969	0	0	-25,630	0	0	0	100,744	12,186	1,497	1,454	440,269
Balance Rescission			0			0			0	0	0			0
Total Direct with Rescission			352,969			-25,630			0	100,744	12,186			440,269
Reimbursable FTE		0			0			0						0
Total Direct and Reimb. FTE		1,454			0			0						1,454
Other FTE:														
LEAP		94			0			0		0				94
Overtime		16			0			0		0				16
Grand Total, FTE		1,564			0			0		0				1,564

Collections: In FY 2014, fee collections are estimated at \$352,969,000 (after the first \$15 million is deposited into the Treasury General Account), which is \$17,682,000 above the FY 2014 budget amount of \$335,287,000.

Carryover: FY 2014 carryover includes \$83,658,655 in unobligated balances plus \$17,085,000 that was temporarily unavailable in FY 2013 due to the sequestration, but becomes available again in FY 2014.

Sequestration: Based on OMB's May 2013 sequestration report for FY 2014, DCFA will have a \$25.6 million sequestration because it is a mandatory, non-defense account.

Recoveries: DEA anticipates it will have \$12 million in recoveries and other collections in FY 2014.

H. Summary of Reimbursable Resources

Summary of Reimbursable Resources

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Collections by Source	2013 Actual			2014 Planned			2015 Request			Increase/Decrease		
	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount	Reimb. Pos.	Reimb. FTE	Amount
OCDETF and RDIS Annual Funding	1,263	1,255	183,218	1,267	1,266	194,824	1,225	1,225	189,010	0	0	-5,814
OCDETF No-Year Funding	23	9	34,270	1	1	33,348	1	1	33,348	0	0	0
Assets Forfeiture Fund	0	0	210,712	0	0	210,712	0	0	210,712	0	0	0
Department of Defense	4	4	21,530	4	3	21,530	2	2	21,256	-2	-1	-274
Department of Homeland Security	0	0	2,000	0	0	2,000	0	0	2,000	0	0	0
Department of Justice	0	0	4,462	0	0	4,462	0	0	4,462	0	0	0
Department of State	69	63	45,836	58	48	45,357	36	20	34,660	-22	-28	-10,697
Department of Treasury	0	0	122	0	0	122	0	0	122	0	0	0
Misc. Government	0	0	939	1	1	974	1	1	974	0	0	0
Misc. Non-Government	0	0	271	0	0	271	0	0	271	0	0	0
Office of National Drug Control Policy	0	0	383	0	0	383	0	0	383	0	0	0
Budgetary Resources	1,359	1,331	503,742	1,331	1,319	513,982	1,265	1,249	497,197	-24	-29	-16,785

Obligations by Program Activity	2013 Actual			2014 Planned			2015 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	1,287	1,265	439,296	1,270	1,269	450,015	1,228	1,228	444,201	-42	-41	-5,814
International Enforcement	72	66	64,439	61	50	63,960	37	21	52,988	-24	-29	-10,971
State and Local Assistance	0	0	8	0	0	8	0	0	8	0	0	0
Budgetary Resources	1,359	1,331	503,742	1,331	1,319	513,982	1,265	1,249	497,197	-66	-70	-16,785

This page intentionally left blank

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Category	2013 Enacted with Rescissions & Sequestration		2014 Enacted		2015 Request				
	Direct Pos.	Reimb. Pos.	Direct Pos.	Reimb. Pos.	ATBs	Program Increases	Program Offsets	Total Direct Pos.	Total Reimb. Pos.
Miscellaneous Operations (010-099)	53	0	53	0	0	0	0	53	0
Security Specialists (080)	75	3	75	3	0	0	0	75	3
Social Science and Psychology (100-199)	5	0	5	0	0	0	0	5	0
Intelligence Series (132)	846	82	846	81	0	0	0	846	77
Personnel Management (200-299)	112	0	112	0	0	0	0	112	0
Clerical and Office Services (300-399)	1,558	265	1,558	254	0	0	0	1,558	241
Accounting and Budget (500-599)	339	1	339	1	0	0	0	339	1
Engineering and Architecture (800-899)	7	0	7	0	0	0	0	7	0
Attorneys (905)	72	0	72	0	0	0	0	72	0
Paralegals / Other Law (900-998)	32	0	32	0	0	0	0	32	0
Information & Arts (1000-1099)	34	0	34	0	0	0	0	34	0
Business & Industry (1100-1199)	72	0	72	0	0	0	0	72	0
Physical & Sciences Group (1300-1399)	6	0	6	0	0	0	0	6	0
Chemist (1320)	326	0	326	0	0	0	0	326	0
Library (1400-1499)	16	0	16	0	0	0	0	16	0
Mathematics & Statistics (1500-1599)	7	0	7	0	0	0	0	7	0
Equipment/Facilities Services (1600-1699)	12	0	12	0	0	0	0	12	0
Education Group (1700-1799)	11	0	11	0	0	0	0	11	0
Miscellaneous Inspectors Series (1802)	361	0	361	0	0	0	0	361	0
Criminal Investigative Series (1811)	3,958	1,001	3,958	985	0	0	0	3,958	936
Quality Assurance Series (1900-1999)	6	0	6	0	0	0	0	6	0
Supply Services (2000-2099)	47	0	47	0	0	0	0	47	0
Transportation (2100-2199)	17	0	17	0	0	0	0	17	0
Information Technology Mgmt (2210)	211	7	211	7	0	0	0	211	7
Motor Vehicle Operations (5703)	1	0	1	0	0	0	0	1	0
Ungraded (Wage Grade)	13	0	13	0	0	0	0	13	0
Total	8,197	1,359	8,197	1,331	0	0	0	8,197	1,265
Headquarters (Washington, D.C.)	1,835	135	1,835	135	0	0	0	1,835	135
U.S. Field	5,606	1,152	5,606	1,135	0	0	0	5,606	1,093
Foreign Field	756	72	756	61	0	0	0	756	37
Total	8,197	1,359	8,197	1,331	0	0	0	8,197	1,265

I. Detail of Permanent Positions by Category

Detail of Permanent Positions by Category

Drug Enforcement Administration

Diversion Control Fee Account

(Dollars in Thousands)

Category	2013 Enacted with Rescissions & Sequestration		2014 Enacted		2015 Request				
	Direct Pos.	Reimb. Pos.	Direct Pos.	Reimb. Pos.	ATBs	Program Increases	Program Offsets	Total Direct Pos.	Total Reimb. Pos.
Security Specialists (080)	2	0	2	0	0	0	0	2	0
Intelligence Series (132)	96	0	96	0	0	0	0	96	0
Personnel Management (200-299)	11	0	11	0	0	0	0	11	0
Clerical and Office Services (300-399)	272	0	272	0	0	0	0	272	0
Biological Science (400-499)	3	0	3	0	0	0	0	3	0
Accounting and Budget (500-599)	5	0	5	0	0	0	0	5	0
Medical, Dental & Public Health (600-699)	12	0	12	0	0	0	0	12	0
Engineering and Architecture (800-899)	2	0	2	0	0	0	0	2	0
Attorneys (905)	25	0	25	0	0	0	0	25	0
Paralegals / Other Law (900-998)	14	0	14	0	0	0	0	14	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
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)	68	0	68	0	0	0	0	68	0
Criminal Investigative Series (1811)	291	0	291	0	0	0	0	291	0
Information Technology Mgmt (2210)	30	0	30	0	0	0	0	30	0
Total	1,497	0	1,497	0	0	0	0	1,497	0
Headquarters (Washington, D.C.)	332	0	332	0	0	0	0	332	0
U.S. Field	1,154	0	1,154	0	0	0	0	1,154	0
Foreign Field	11	0	11	0	0	0	0	11	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	Domestic		Foreign	
	Miscellaneous Program and Administrative Reductions		Miscellaneous Program and Administrative Reductions	
	Direct Pos.	Amount	Direct Pos.	Amount
SES	0	0	0	0
GS-15	0	0	0	0
GS-14	0	0	0	0
GS-13	0	0	0	0
GS-12	0	0	0	0
GS-11	0	0	0	0
GS-10	0	0	0	0
GS-9	0	0	0	0
GS-8	0	0	0	0
GS-7	0	0	0	0
GS-6	0	0	0	0
GS-5	0	0	0	0
Total Positions and Annual Amount	0	0	0	0
Lapse (-)	0	0	0	0
11.5 Other Personnel Compensation		0		0
12.1 Personnel Benefits:		0		0
Total FTEs and Personnel Compensation	0	0	0	0
21.0 Travel and Transportation of Persons		-1,161		-1,179
22.0 Transportation of Things		-745		-312
23.1 Rental Payments to GSA		0		0
23.2 Other Rental Payments		-677		-3,058
23.3 Communications, Utilities, and Miscellaneous Charges		-5,778		-987
24.0 Printing and Reproduction		-115		-2
25.1 Advisory and Assistance Services		-9,130		-1,714
25.2 Other Services from Non-Federal Sources		-7,516		-5,371
25.3 Other Goods and Services from Federal Sources		-5,370		-8,333
25.4 Operation and Maint. of Facilities		-3,391		-56
25.5 Research and Development Contracts		0		0
25.6 Medical Care		-226		-72
25.7 Operation and Maintenance of Equipment		-8,811		-713
25.8 Subsistence and Support of Persons		-9		-2
26.0 Supplies and Materials		-3,957		-853
31.0 Equipment		-3,383		-358
32.0 Land and Structures		-1,516		-56
42.0 Claims		-103		0
Total Program Change Requests	0	-51,888	0	-23,066

J. Financial Analysis of Program Changes

Financial Analysis of Program Changes

Drug Enforcement Administration

Salaries and Expenses

(Dollars in Thousands)

Grades	State & Local		Total Program Changes	
	Miscellaneous Program and Administrative Reductions		Direct Pos.	Amount
	Direct Pos.	Amount		
SES	0	0	0	0
GS-15	0	0	0	0
GS-14	0	0	0	0
GS-13	0	0	0	0
GS-12	0	0	0	0
GS-11	0	0	0	0
GS-10	0	0	0	0
GS-9	0	0	0	0
GS-8	0	0	0	0
GS-7	0	0	0	0
GS-6	0	0	0	0
GS-5	0	0	0	0
Total Positions and Annual Amount	0	0	0	0
Lapse (-)	0	0	0	0
11.5 Other Personnel Compensation		0		0
12.1 Personnel Benefits:		0		0
Total FTEs and Personnel Compensation	0	0	0	0
21.0 Travel and Transportation of Persons		-37		-2,377
22.0 Transportation of Things		-29		-1,086
23.1 Rental Payments to GSA		0		0
23.2 Other Rental Payments		-2		-3,737
23.3 Communications, Utilities, and Miscellaneous Charges		-71		-6,836
24.0 Printing and Reproduction		0		-117
25.1 Advisory and Assistance Services		-22		-10,866
25.2 Other Services from Non-Federal Sources		-12		-12,899
25.3 Other Goods and Services from Federal Sources		0		-13,703
25.4 Operation and Maint. of Facilities		-2		-3,449
25.5 Research and Development Contracts		0		0
25.6 Medical Care		-3		-301
25.7 Operation and Maintenance of Equipment		-13		-9,537
25.8 Subsistence and Support of Persons		0		-11
26.0 Supplies and Materials		0		-4,810
31.0 Equipment		-2		-3,743
32.0 Land and Structures		-12		-1,584
42.0 Claims		-1		-104
Total Program Change Requests	0	-206	0	-75,160

K. Summary of Requirements by Object Class

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

Object Class	2013 Actual		2014 Availability		2015 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	6,826	639,697	6,566	616,006	6,617	640,583	51	24,577
11.3 Other than Full-Time Permanent	0	5,934	0	5,923	0	6,015	0	92
11.5 Other Personnel Compensation	914	107,470	879	111,654	886	115,453	7	3,799
<i>Overtime</i>	51	0	49	0	49	0	0	0
<i>Other Compensation</i>	863	0	830	0	837	0	7	0
11.8 Special Personal Services Payments	0	53	0	53	0	53	0	0
Total	7,740	753,154	7,445	733,636	7,503	762,104	58	28,468
Other Object Classes								
12.0 Personnel Benefits		332,343		341,232		360,905		19,673
13.0 Benefits for former personnel		0		0		0		0
21.0 Travel and Transportation of Persons		26,331		27,907		28,206		299
22.0 Transportation of Things		10,207		10,897		9,812		-1,085
23.1 Rental Payments to GSA		214,168		217,498		220,298		2,800
23.2 Rental Payments to Others		36,516		43,346		43,217		-129
23.3 Communications, Utilities, and Miscellaneous Charges		61,899		64,769		65,088		319
24.0 Printing and Reproduction		1,024		1,479		1,162		-317
25.1 Advisory and Assistance Services		99,249		118,097		108,776		-9,321
25.2 Other Services from Non-Federal Sources		136,336		156,531		131,540		-24,991
25.3 Other Goods and Services from Federal Sources		88,523		117,097		136,805		19,708
25.4 Operation and Maintenance of Facilities		29,892		38,625		30,800		-7,825
25.5 Research and Development Contracts		0		0		0		0
25.6 Medical Care		2,796		3,301		3,000		-301
25.7 Operation and Maintenance of Equipment		88,857		94,571		95,110		539
25.8 Subsistence and Support of Persons		160		342		116		-226
26.0 Supplies and Materials		50,230		58,969		46,789		-12,180
31.0 Equipment		39,826		57,139		38,466		-18,673
32.0 Land and Structures		10,248		18,692		13,770		-4,922
42.0 Insurance Claims and Indemnities		864		1,340		1,036		-304
Total Obligations		1,982,623		2,105,468		2,097,000		-8,468
Subtract - Unobligated Balance, Start-of-Year		-39,640		-104,195		-48,011		56,184
Subtract - Transfers/Reprogramming		-118,335		-10,012		-28,489		-18,477
Subtract - Recoveries, Refunds, and Proceeds		-24,472		-21,273		-2,500		18,773
Add - Sequestration and Rescissions		145,260		0		0		0
Add - Expired balance withdrawn		2,273		0		0		0
Add - Unobligated End-of-Year, Available		104,195		48,011		0		-48,011
Add - Unobligated End-of-Year, Expiring		0		0		0		0
Total Direct Requirements	0	2,051,904	0	2,018,000	0	2,018,000	0	0
Reimbursable FTE								
Full-Time Permanent	1,331		1,319		1,249		-70	
23.1 Rental Payments to GSA (Reimbursable)		6,642		6,839		6,839		0
25.4 Operation and Maintenance of Facilities - DHS Security (Reimbursable)		239		239		239		0

K. Summary of Requirements by Object Class

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

Object Class	2013 Actual		2014 Availability		2015 Request		Increase/Decrease	
	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount	Direct FTE	Amount
11.1 Full-Time Permanent	1,362	132,649	1,454	149,485	1,454	150,859	0	1,374
11.3 Other than Full-Time Permanent	0	1,587	0	1,423	0	1,436	0	13
11.5 Other Personnel Compensation	109	8,489	110	11,025	110	11,127	0	102
<i>Overtime</i>	15	0	16	0	16	0	0	0
<i>Other Compensation</i>	94	0	94	0	94	0	0	0
11.8 Special Personal Services Payments	0	31	0	47	0	47	0	0
Total	1,471	142,756	1,564	161,980	1,564	163,469	0	1,489
Other Object Classes								
12.0 Personnel Benefits		40,176		48,564		49,030		466
13.0 Benefits for former personnel		0		0		2,422		2,422
21.0 Travel and Transportation of Persons		2,841		5,867		5,867		0
22.0 Transportation of Things		598		1,200		1,200		0
23.1 Rental Payments to GSA		27,012		27,888		28,335		447
23.2 Rental Payments to Others		880		1,529		1,561		32
23.3 Communications, Utilities, and Miscellaneous Charges		5,835		7,603		7,603		0
24.0 Printing and Reproduction		4,535		5,027		5,027		0
25.1 Advisory and Assistance Services		30,585		44,825		44,825		0
25.2 Other Services from Non-Federal Sources		12,602		15,411		15,411		0
25.3 Other Goods and Services from Federal Sources		6,596		9,026		9,466		440
25.4 Operation and Maintenance of Facilities		2,514		3,171		3,171		0
25.5 Research and Development Contracts		0		4		4		0
25.6 Medical Care		237		339		339		0
25.7 Operation and Maintenance of Equipment		7,165		9,213		9,213		0
25.8 Subsistence and Support of Persons		7		27		27		0
26.0 Supplies and Materials		5,012		7,062		7,062		0
31.0 Equipment		18,109		9,821		9,821		0
32.0 Land and Structures		425		2,355		2,822		467
41.0 Grants, Subsidies, and Contributions		0		0		0		0
42.0 Insurance Claims and Indemnities		0		5		5		0
Total Obligations		307,885		360,917		366,680		5,763
Subtract - Unobligated Balance, Start-of-Year		0		-17,085		0		17,085
Subtract - Transfers/Reprogramming		0		0		0		0
Subtract - Recoveries/Refunds		307,885		360,917		366,680		5,763
Subtract - Sequester Restoration		0		-367,969		0		367,969
Add - Sequestration		-83,659		-79,352		0		79,352
Add - Unobligated End-of-Year, Available		0		0		0		0
Add - Unobligated End-of-Year, Expiring		0		0		0		0
Total Direct Requirements	0	532,111	0	257,428	0	733,360	0	475,932
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

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

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

1. The House and Senate Appropriation Committees directed DEA to submit a report on the process and timeline for making a scheduling determination for a new chemical entity contained in a product being evaluated by the Food and Drug Administration (FDA) and for which FDA has requested a DEA determination. The report shall describe the drug scheduling determination process from the time DEA receives an FDA request to the time a final rule is published in the Federal Register. The Senate Appropriations Committee also requested that the report explain the circumstances where a final scheduling recommendation was not made within 6 months and the actions taken by the agency to resolve unanswered questions on scheduling determinations for requests that did not result in a final rule after 6 months. Expected delivery is April 18, 2014.
2. The Senate Appropriation Committee directed DOJ to submit a report on how DEA is approaching the growing prescription drug abuse epidemic, with a focus on four policy priorities identified by the Office of National Drug Control Policy: (1) education for prescribers and the public; (2) prescription monitoring; (3) safe drug disposal; and (4) effective enforcement. Expected delivery is May 18, 2014.

This page intentionally left blank

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 Actual	FY 2014 Projected	FY 2015 Projected
<u>Budget</u>	\$212,078	\$239,249	\$244,450	\$251,790	\$290,304	\$322,000	\$334,852	\$335,287	\$366,680
<u>Fiscal Year Financial Status:</u>									
Unobligated Balance Carried Forward from									
1 Prior Year	\$36,120	\$64,079	\$60,423	\$87,806	\$68,090	\$41,727	\$52,619	\$83,659	\$79,352
2 Sequester Restored to Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,085	\$0
3 Receipt Collections	\$219,181	\$235,904	\$249,512	\$245,836	\$257,674	\$309,223	\$359,326	\$367,969	\$382,875
4 Fund Transfer from Salaries and Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 Treasury	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>	<u>-\$15,000</u>
6 <i>Net Receipt Collections</i>	<i>\$204,181</i>	<i>\$220,904</i>	<i>\$234,512</i>	<i>\$230,836</i>	<i>\$242,674</i>	<i>\$294,223</i>	<i>\$344,326</i>	<i>\$352,969</i>	<i>\$367,875</i>
7 Other Collections	\$118	\$235	\$158	\$209	\$534	\$244	\$261	\$261	\$261
8 Obligations (Actual / Projected)	-\$179,307	-\$228,277	-\$216,297	-\$267,997	-\$283,501	-\$293,997	-\$307,885	-\$360,917	-\$366,680
9 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>\$11,423</u>	<u>\$11,925</u>	<u>\$11,925</u>
10 <i>Net Obligations</i>	<i>-\$176,340</i>	<i>-\$224,795</i>	<i>-\$207,287</i>	<i>-\$250,761</i>	<i>-\$269,571</i>	<i>-\$283,575</i>	<i>-\$296,462</i>	<i>-\$348,992</i>	<i>-\$354,755</i>
11 Sequester	\$0	\$0	\$0	\$0	\$0	\$0	-\$17,085	-\$25,630	\$0
ENDING BALANCE (Lines 1+5+6+9+10)	\$64,079	\$60,423	\$87,806	\$68,090	\$41,727	\$52,619	\$83,659	\$79,352	\$92,733

This page intentionally left blank