
U.S. Department of Justice

Drug Enforcement Administration

FY 2017
Performance Budget
Congressional Submission



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I. Overview for the Drug Enforcement Administration (DEA)

Introduction

Since its creation in 1973, DEA has evolved from a small, domestic-oriented law enforcement agency to a globally recognized agency with over 9,000 onboard employees assigned to 221 domestic offices and 89 foreign offices in 68 countries. 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.

DEA focuses its resources on disrupting and dismantling the command and control element of major international drug trafficking organizations and/or money laundering enterprises, known as Consolidated Priority Organization Targets (CPOTs), as well as other Priority Target Organizations (PTOs) that significantly impact the United States drug supply. Increasingly, DEA engages in long-term, multifaceted complex investigations that require sophisticated investigative techniques, such as electronic surveillance.

Today's most significant drug trafficking organizations are the dangerous and highly sophisticated Mexican Transnational Criminal Organizations (TCOs) that perpetrate violence along the Southwest Border. Mexican TCOs continue to be the principal suppliers of heroin, methamphetamine, cocaine, and marijuana to the United States. Domestically, distribution cells have forged alliances with Mexican TCOs, resulting in an increasing threat to the safety and security of communities across the country. DEA is uniquely positioned to target and dismantle the local distribution cells and the international drug trafficking organizations with whom they conspire.

In addition, the distribution cells, and the Mexican and South American traffickers who supply them, are the main sources of heroin in the United States today. Heroin use in this country has reached alarming levels and many localities are reporting increases in heroin-related deaths. A contributing factor to increasing demand for heroin is prescription opioid abuse. Prescription drug abuse is the nation's fastest-growing drug problem. Recently, the Centers for Disease Control and Prevention reported that 47,055 people died of a drug overdose in the United States in 2014, the most recent year for which information is available. Opioids—primarily prescription pain relievers and heroin—are the main driver of overdose deaths. Opioids were involved in 28,647 deaths in 2014 and opioid overdoses have quadrupled since 2000.

The economic impact of prescription drug abuse is significant. The cost of the nonmedical use of prescription opioids alone in the United States totals more than \$53 billion annually. The most conservative estimate of the amount of total healthcare expenditures lost to fraud is three percent; however, that equates to over \$70 billion annually. Losses attributed to wasteful spending, including fraud and abuse, may actually be as high as 30 percent of healthcare expenditures.

DEA's Diversion Control Program uses all criminal and regulatory tools possible to identify, target, disrupt, and dismantle individuals and organizations responsible for the illicit manufacture and distribution of pharmaceutical controlled substances in violation of the Controlled Substances Act (CSA). The deployment of Tactical Diversion Squads (TDS) is DEA's primary method of criminal law enforcement in the Diversion Control Program. These TDSs incorporate the enforcement, investigative, and regulatory skill sets of DEA Special Agents, Diversion Investigators, other federal law enforcement, and state and local Task Force Officers. The expansion of the TDS groups has enabled the Diversion Groups to concentrate on the regulatory aspects of the Diversion Control Program.

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 2017 request supports the following strategic goals:

DOJ FY 2014-2018 Strategic Plan

DEA has established and implemented comprehensive programs that align with the President's National Drug Control Strategy, address regional issues identified by the Office of National Drug Control Policy (ONDCP), and support the following long-term goals under DOJ's FY 2014-2018 Strategic Plan:

Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law:

In support of DOJ's long-term goal to "Increase the Number of Terrorist Disruptions by FY 2018", DEA has been able to identify, designate, and report on the number of international PTOs linked to terrorist organizations in the Middle East, Central Asia, and Southwest Asia. A small part of DEA, the Office of National Security Intelligence (ONSI), is designated a full member of the Intelligence Community (IC) under Executive Order 12333 and USC Title 50. ONSI ensures that national security information obtained by DEA, during the execution of its worldwide drug law enforcement mission, is expeditiously shared with both the national security and intelligence communities. On average, ONSI shares more than 5,000 such reports a year. These reports contain information on topics such as foreign intelligence, international organized crime, international drug trafficking organizations, 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. DEA also maintains a Defensive Counterintelligence (DCI) program managed by ONSI. The DCI program serves as the central coordination point for all DEA defensive DCI matters.

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

In support of DOJ's long-term goal to "Dismantle a cumulative total of 175 gangs/criminal enterprises by FY 2018", DEA, a single mission agency, focuses on drug enforcement and the link between drug trafficking and violent crime. DEA's drug enforcement efforts impact violent crime rates across the United States. The National Gang Targeting, Enforcement and Coordination Center (GangTECC) within DEA's Special Operations Division (SOD) combines the abilities of its member agencies (Federal Bureau of Investigation, 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. After only supporting approximately 100 cases in the three years prior to the merger, the GangTECC, under the operational direction of SOD, has supported 2,058 cases from FY 2011 through FY 2013. Thereafter, GangTECC's reporting requirement under DOJ's priority goal initiative was discontinued. Nevertheless, DEA continues to monitor and evaluate its success against violent crime through its obligatory participation in GangTECC, and its programmatic assessments which are conducted as part of the Department's Strategic Objective Review processes. In FY 2014, DEA's Section within GangTECC supported 207 gang-related cases that yielded 870 arrests. In FY 2015, DEA/GangTECC supported 309 gang-related cases that yielded 1,506 arrests, an increase of 46 percent and 8 percent respectively over FY 2014.

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),¹ which are the most significant international and domestic drug trafficking and money laundering organizations. DEA plays a significant role in the Department's efforts in achieving outcomes in each of the following three areas:

1. "Disrupt and dismantle Consolidated Priority Organization Targets (CPOTs)"

In support of DOJ's long-term goal to "Dismantle 750 Consolidated Priority Organization Targets (CPOT) linked drug trafficking organizations and Disrupt 1,750 CPOT linked drug trafficking organizations by FY 2018", DEA has been able to identify, designate, and report on the number of international PTOs linked to CPOTs globally (inclusive of those CPOT linked PTOs also linked to terrorist organizations disposed in the Middle East, Central Asia, and Southwest Asia).

¹ PTOs are identified by DEA Special Agents in Charge and Regional Directors.

DEA's current long-term outcome goal is to dismantle 857 and disrupt 918 CPOT-linked drug trafficking organizations during the period between FY 2014 and FY 2018.² 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.

SOD plays a vital role in the agency's strategy to disrupt and dismantle major Drug Trafficking Organizations (DTOs). Established in 1994, 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



Servando Gomez-Martinez, a.k.a. "La Tuta"
On February 27, 2015, DEA issued a statement in response to the capture of Knights Templar Cartel Leader Servando Gomez-Martinez, a.k.a. "La Tuta" by the Mexican Federal Police: "The arrest of Servando Gomez-Martinez, a.k.a. "La Tuta," is another win for Mexico in the fight against brutal criminal cartels like the Knights Templar. La Tuta led one of the world's most vicious and violent drug and criminal networks. He not only headed the drug trafficking activities, but was in charge of all organized crime, including extortion, kidnappings, and murder. We congratulate the brave members of the Mexican Federal Police for their successful operation and look forward to more successes against global organized crime."

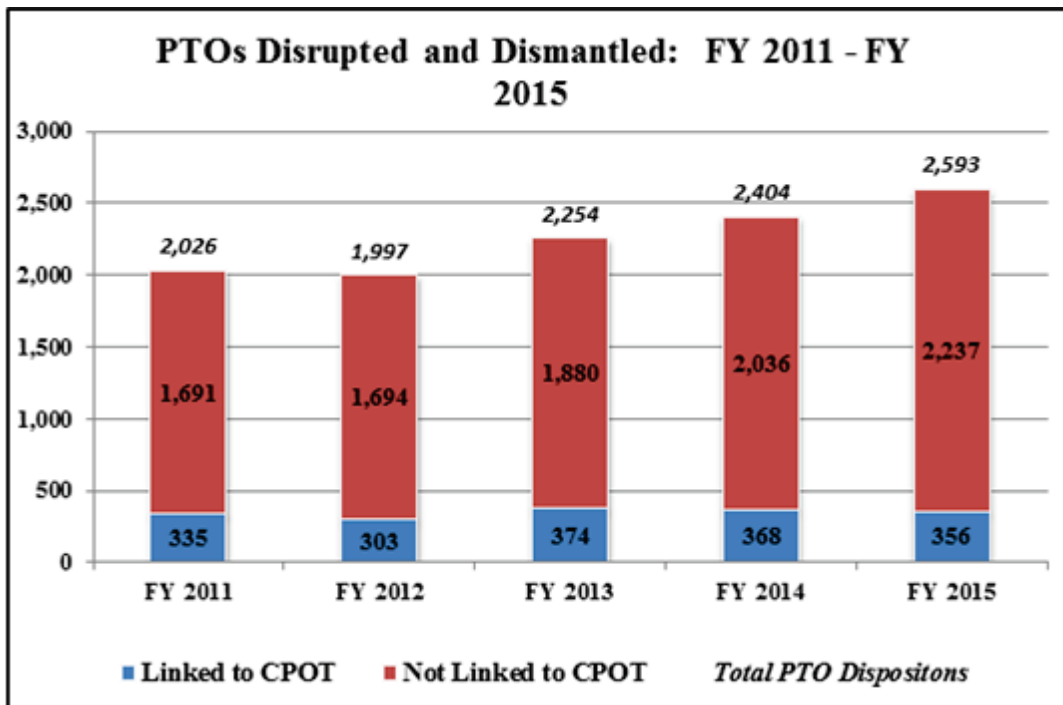
communications. Emphasis is placed on major drug trafficking and terrorist organizations financed by drug profits, which operate across jurisdictional boundaries on a regional, national, and international level. Operating at a classified level, SOD provides foreign and domestic based law enforcement partners with timely investigative information enabling them to fully exploit federal law enforcement's investigative authority under Title III of the U.S. Code. SOD actively supports multi-jurisdiction, multi-nation, and multi-agency wire intercept investigations, while working jointly with federal, state, and local agencies, to coordinate overlapping investigations, ensuring that tactical and strategic intelligence is de-conflicted and shared between law enforcement agencies.

SOD's Counter-Narcoterrorism Operations Center (CNTOC) is the central hub for addressing the increase in narcoterrorism related issues and investigations. The CNTOC supports SOD's two unique field enforcement groups - the Bilateral Case Group (959 Group) and the Narcoterrorism 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 narcoterrorism 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

² 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 2014-18 Strategic Plan.

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.

In FY 2014, DEA disrupted or dismantled 2,404 domestic and foreign priority targets; 368 were linked to CPOTs. In FY 2015, DEA disrupted or dismantled 2,593 PTOs, including 356 linked to CPOTs. Additionally, through the end of the fourth quarter FY 2015, 25 of the 40 CPOTs identified on the FY 2015 CPOT list (62%) had been indicted, and 13 (32%) of the 40 CPOTs have been arrested. DEA’s participation in the CPOT initiative has led to the indictment of 147, the arrest of 117, and the extradition of 64 of the 188 total on the CPOT list between FY 2003 and the end of FY 2015 (4th Quarter).



2. “Target, Investigate, and prosecute domestic and international drug traffickers and their organizations”

In addition to CPOT-linked DTOs, the highest focus of the Department’s drug enforcement efforts is those which the Organized Crime Drug Enforcement Task Force (OCDETF) identifies as Regional Priority Organization Targets (RPOTs). DEA also identifies other PTOs not linked to CPOTs, which represent organizations that have a significant impact on drug availability in the U.S. PTO cases are complex, multi-year investigations.

DEA places a high priority on financial drug investigations by targeting the financial infrastructure of major DTOs and members of the financial community who facilitate the laundering of their proceeds. 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 the 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 tracks and targets 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. From the beginning of FY 2005 through the end of FY 2015, DEA denied DTOs a cumulative total of \$33.1 billion in revenues through the seizure of both assets and drugs, including \$21.6 billion in assets seized (\$7.5B currency and \$14B property). In 2015, DEA successfully denied \$3.5 billion in drug trafficking revenue.

3. "Prevent the diversion of pharmaceutical controlled substances and listed chemicals from legitimate channels, including the Internet"

DEA's Office of Diversion Control enforces 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, it ensures an adequate and uninterrupted supply for legitimate medical, commercial, and scientific needs.

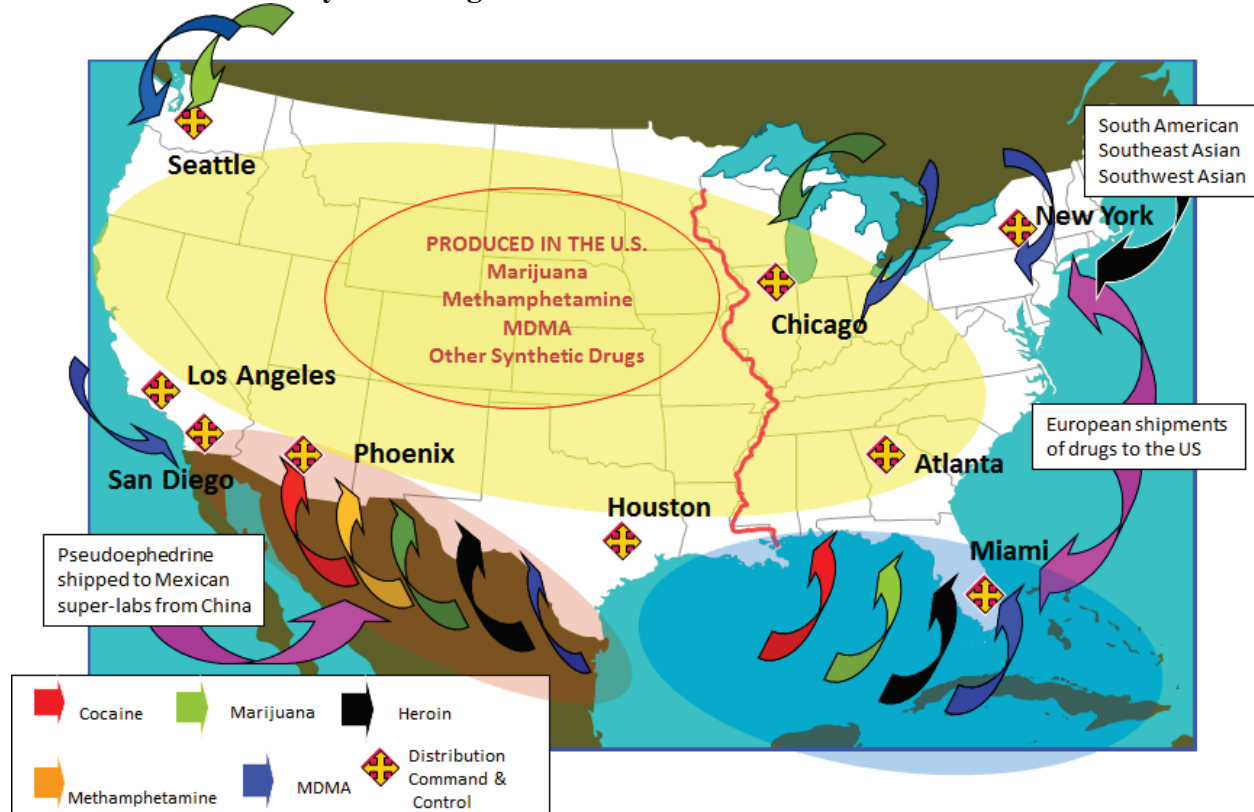
DEA's Diversion Control Program uses all criminal and regulatory tools possible to identify and determine who is most likely involved in the illicit distribution of controlled substances, as well as individuals and/or organizations violating the CSA, including shutting down illegal internet pharmacies. 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.

Drug Threats to the United States

DEA's most recent domestic drug threat assessment map, released in December 2014, 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

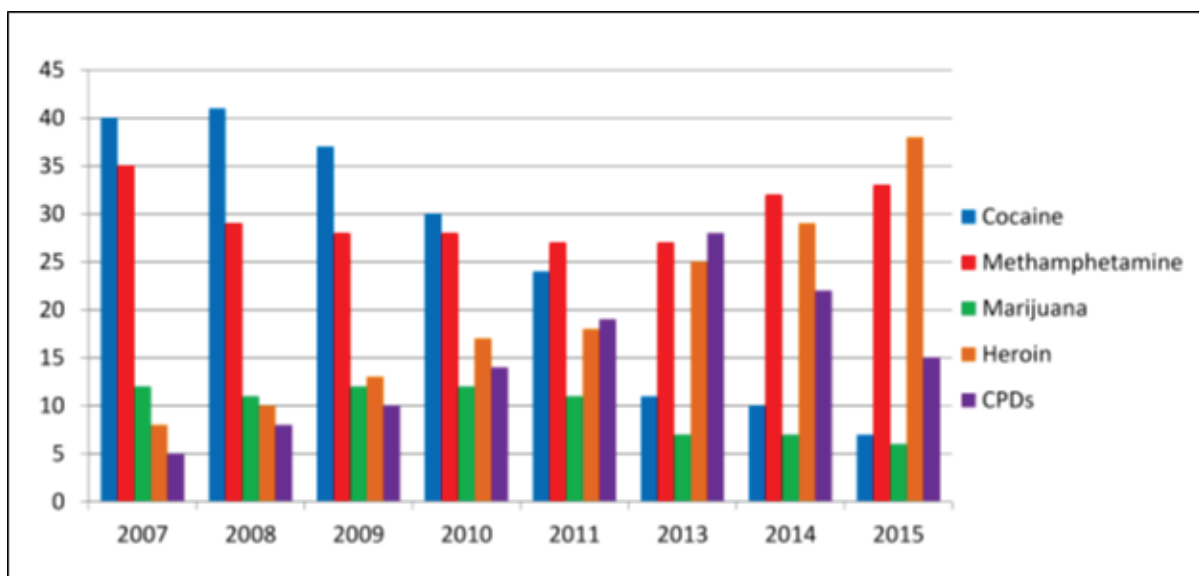


The above map is based on intelligence relating to the demand for illegal drugs and their suppliers and distributors. The threat assessment encompasses data findings from DEA field division assessments, open-source reports, drug abuse indicators, reports from the El Paso Intelligence Center (EPIC), and 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.

FY 2015 National Drug Threat Assessment

Each day in the United States, over 120 people die as a result of a drug overdose. In particular, the number of deaths attributable to controlled prescription drugs (CPDs) has outpaced those for cocaine and heroin combined. Additionally, some opioid CPD abusers are initiating heroin use,

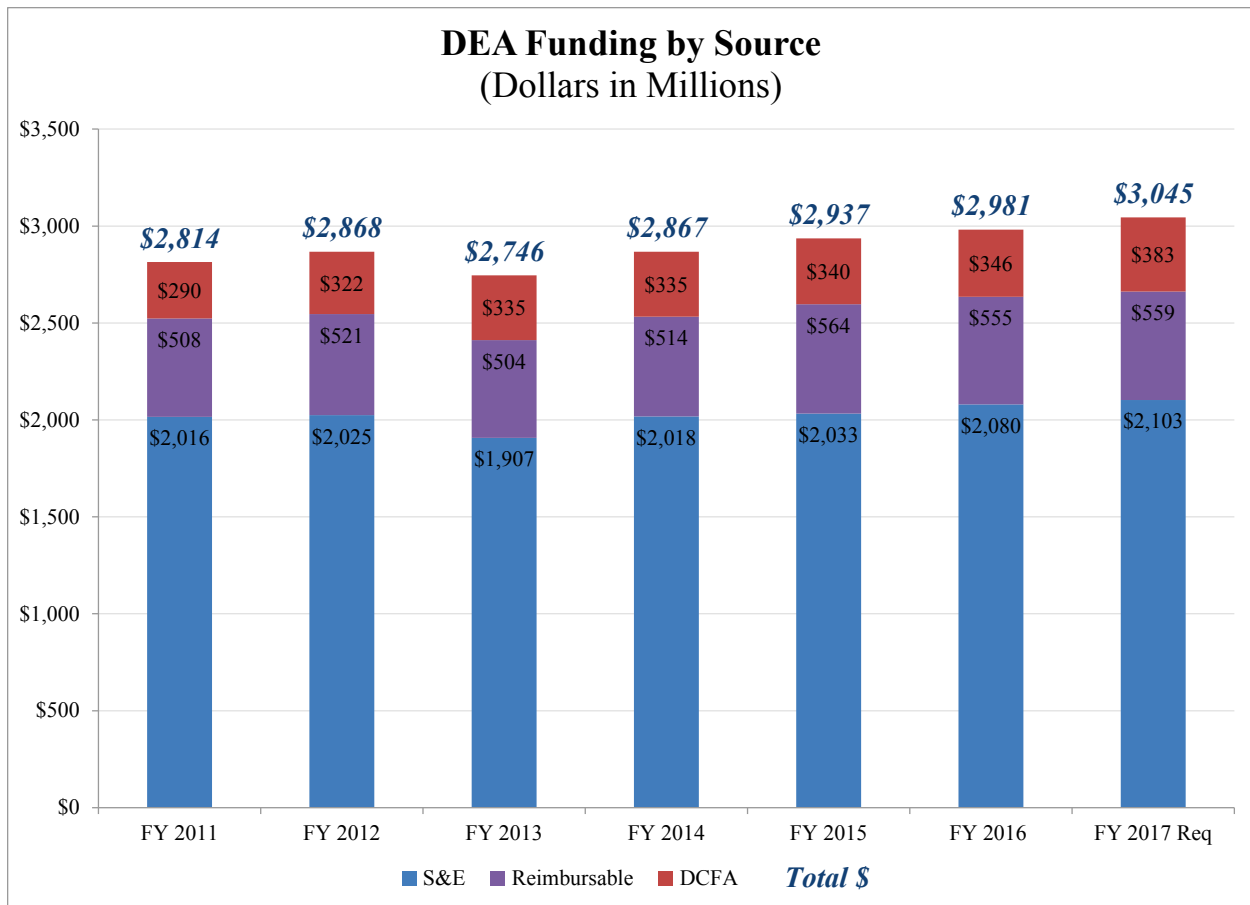
which contributes to the increased demand for and use of heroin. For these reasons, CPDs and heroin are ranked as the most significant drug threats to the United States. Fentanyl and its analogs are responsible for more than 700 deaths across the United States between late 2013 and late 2014. While fentanyl is often abused in the same manner as heroin, it is much more potent. Methamphetamine distribution and abuse significantly contribute to violent and property crime rates in the United States. Further, cocaine distributors and users seek out methamphetamine as an alternative as cocaine availability levels decline. While marijuana is the most widely available and commonly used illicit drug and remains illegal under federal law, many states have passed legislation approving the cultivation, possession, and use of the drug within their respective states. Marijuana concentrates, with potency levels far exceeding those of leaf marijuana, pose an issue of growing concern. Finally, the threat posed by synthetic designer drugs continues to impact many segments of the American population, particularly youth. The following chart shows the percentage of NDTA respondents reporting the greatest drug threat from 2007-2015.



FY 2017 Budget Request

DEA's FY 2017 budget request totals \$2,485,638,000. This request includes \$382,662,000 derived from the Diversion Control Fee Account (DCFA). Additionally, DEA anticipates receiving an estimated \$560.2 million from other agencies via reimbursable agreements, which will support 1,127 FTE; and 1,127 positions (including 831 Special Agents).³ DEA anticipates that \$3 billion, from all funding sources, will support 11,134 positions and 9,226 FTE during FY 2017. The following table summarizes DEA's FY 2011 to FY 2017 funding levels by source.

³ Additional details on reimbursable resources are available in Exhibit H.



Between FY 2011 and FY 2016, the funding level for DEA’s Salaries and Expenses (S&E) Account has only increased by \$64 million. During that same time, DEA has absorbed over \$231 million in adjustments to base and new funding requirements, including the operation and maintenance of radios, positions and functions transferred from the National Drug Intelligence Center, and information technology programs previously funded elsewhere.

Maintaining Current Services

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

Salaries and Expenses (S&E) Account: The \$15,104,000 in base adjustments includes funding for the anticipated January 2017 pay raise of 1.6 percent, the January annualization of the FY 2016 pay raise of 1.3 percent, employee benefits, rent and facilities, and charges for positions stationed outside of the United States.

Diversion Control Fee Account (DCFA): The \$2,274,000 in base adjustments includes funding for the January 2017 pay raise of 1.6 percent, the January annualization of the FY 2016 pay raise of 1.3 percent, employee benefits, rent and facilities, and charges for positions stationed outside of the United States.

Program Improvements

DEA has developed proposals that identify program and budget priorities that focus on anticipated program needs related to the Attorney General's priority goals of "Protecting Americans from national security threats" (Goal 1) and "Protecting Americans from violent crime" (Goal 2). Additionally, these proposals support investments in mission critical infrastructure, cyber security, and surge resources. These resources will also allow DEA to continue its existing focus on CPOTs, PTOs, and other significant drug trafficking organizations, which is in-line with the Department's *Smart on Crime* Initiative. Enhancements include the following.

1. **Heroin Enforcement**: This request provides \$12,483,000 and 42 positions, including 32 special agents, to confront the recent spike in heroin.
2. **Cyber Security/Insider Threat**: This request provides \$7,561,000 and 11 positions, including 3 special agents to establish an insider threat program as mandated by Executive Order 13587, as well as to build and sustain additional capability and capacity to monitor DEA's increasingly large and complex classified and sensitive information system resources from threats that could degrade DEA operations. This initiative includes funding for Continuous Evaluation per the Office of the Director of National Intelligence (ODNI) Director Decision Document (DDD).
3. **DCFA**: This request provides \$8,874,000 and 55 positions, including 10 special agents, to identify, target, disrupt, and dismantle the individuals and organizations responsible for the illicit manufacture and distribution of pharmaceutical controlled substances in violation of the Controlled Substances Act (CSA).

DOJ De-Confliction Policy

As DEA rises to meet current and emerging threats from drug trafficking and violent criminal organizations, it will continue to rely on the methods and models that have proven successful. For example, intelligence sharing, de-confliction, and cooperation between federal, state, and local law enforcement partners are essential to combating the kind of transnational organized crime the DEA faces daily when executing its law enforcement mission. In May 2014, the Deputy Attorney General (DAG) issued a memorandum that set forth the Department of Justice's policy regarding the mandatory use of de-confliction systems in the course of all current and future investigative activity. DEA and its Deconfliction & Information Coordination Endeavor (DICE) and the DEA Analysis and Response Tracking System (DARTS) de-confliction systems, maintained by its Office of Special Intelligence, were specifically highlighted in the DAG's memo as the mandatory applications for investigative data de-confliction.

Full Program Costs

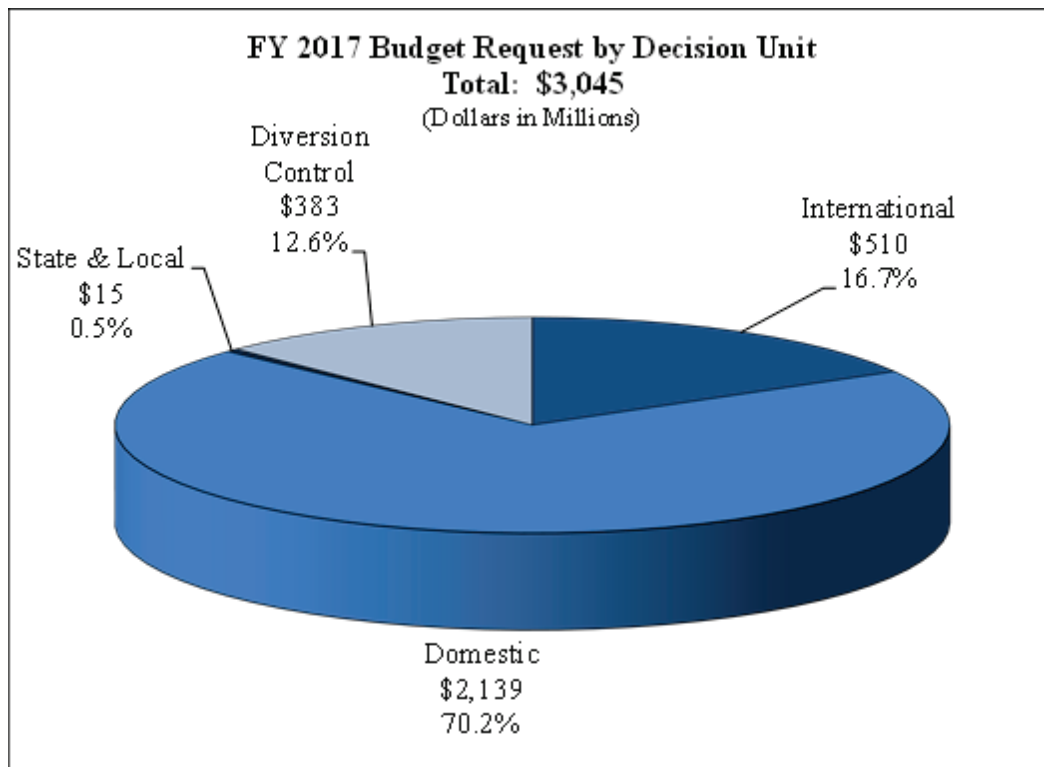
DEA's budget integrates its own priorities with DOJ's Strategic Goals and Objectives to ensure that each performance objective is linked to the costs of critical strategic actions. This request supports DEA's Strategic Plan, which divides DEA's resources (including reimbursable funds) into four strategic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

spectrum of drug trafficking activity. The FY 2017 requested FTE represents an estimated FTE based on historical attrition and DEA’s staffing plan funded within DEA’s requested funding levels.

DEA’s resources are requested in support of DOJ Strategic Goal 1, Objective 1.1 and Strategic Goal 2, Objective 2.3. DEA’s S&E Account is organized into three decision units: international enforcement, domestic enforcement, and state and local assistance.

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 aspects 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 2017 DCFA request.

Additionally, DEA anticipates receiving an estimated \$560.2 million in reimbursable resources from other agencies. The two largest sources include \$198.8 million from the Interagency Crime and Drug Enforcement (ICDE) account to support OCDETF investigations and \$253.6 million from the Department’s Assets Forfeiture Fund. DEA also receives funding from the Department of Defense, the Department of State, and other agencies. The following chart reflects all FY 2017 DEA resources including the S&E Account, reimbursable resources, and the DCFA.



For FY 2017, approximately 70.2 percent of DEA’s budgetary resources are associated with Domestic Enforcement; 16.7 percent with International Enforcement; one-half of a percent with State and Local Assistance; and, 12.6 percent with the Diversion Control Fee Account. The

activities and initiatives in each of DEA's programs play a crucial role in accomplishing DEA's overall strategy. Total costs include:

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

Some programs, as well as management and administration costs, cross decision units. Both performance and resource tables within each decision unit justification define the total costs of achieving the strategies DEA will continue in FY 2017. Additional details on resources and performance by decision unit are detailed in Section IV.

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 IC is only possible with an adequate IT infrastructure. In FY 2017, DEA will dedicate approximately \$289 million and 219 FTE for IT.

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. 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, 13514, and new Executive Order 13693. DEA participated in the planning process and review of departmental programs including, but not limited to, the Department of Justice's (DOJ) Strategic Sustainability Performance Plan, Sustainable Buildings Implementation, the DOJ Facility Metering, Recycling and Solid Waste Management, Green Purchasing, Climate Adaptation, the DOJ Environmental Policy Statement, the DOJ Sustainability Scorecard, the Federal EMS Metrics document, serving as a member of the Federal EMS Working Group, DOJ Bureau Environmental, Energy, and Climate Adaptation working groups. 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, utility metering, and building and energy efficiency.

In FY 2015, EMS programs were maintained at and integral to 34 DEA facilities across the country. These programs are being used to integrate environmental accountability and sustainability into the day-to-day decision making process regarding operational activities. There are active EMSs at all DEA laboratories and at a number of DEA divisions and offices. EMSs throughout DEA have realized successes through reduced energy usage, lowered electricity rates, reduced potential for hazardous spills, improved green purchasing, and comprehensive recycling programs. In addition, agency plans have been developed and work groups have been established to specifically address green purchasing, fleet management, toxic & hazardous materials reduction, electronic stewardship, and for incorporating sustainability principles in facility/construction projects. By FY 2015, 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. DEA continued to maintain and manage the internal Environmental Stewardship Awards Program awarding one DEA facility (Office of Information Technology) with the DEA Environmental Stewardship Award; one facility EMS team (Aviation Operations Center) with the DEA Environmental Management System Award; and three employees with the DEA Environmental Champion Award. In addition, the DEA Environmental Achievement Award, which is presented throughout the year for individual accomplishments, was presented to twelve employees during FY 2015. Additionally, DEA continued to promote the DEA Electronics Stewardship Awards program in FY 2015; the second year for the Awards program, designed to encourage DEA facilities to continue improving their electronics stewardship. A total of seven awards were presented to DEA facilities across the country: six Platinum Awards (North Central Laboratory, El Paso Intelligence Center, Mid-Atlantic Laboratory, Southeast Laboratory, Western Laboratory and Southwest Laboratory) and one Bronze Award (Office of Investigative Technology).

DEA offices won FY 2015 EPA Federal Green Challenge (FGC) Awards. The Western Laboratory was awarded an EPA National Award in Electronics; the Southeast Laboratory was awarded an EPA Region 4 award in Waste; and the El Paso Intelligence Center was awarded three EPA Region 6 Awards for Electronics, Purchasing and Education. FY 2015 also saw much advancement in energy efficiency and energy reduction. DEA coordinated an American Society of Heating, Refrigeration, and Air-conditioning Engineers (ASHRAE) Level II energy audit at one laboratory to determine feasibility of energy conservation measures and renewable energy opportunities. DEA coordinated a Life Cycle Cost Analysis (LCCA), prepared supporting documentation, and submitted an application for the DOE Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) Grant for a 788kW ground-mounted solar photovoltaic project at the El Paso Intelligence Center (EPIC). DEA's Sterling Park Technology Center joined the DOE's Better Buildings Challenge with a goal to reduce Power Usage Effectiveness (PUE) by 25% in five years. The Environmental Management Section is providing technical support to the Sterling Park Technology Center by participating in building evaluations, contract support evaluations and technical expertise on energy efficiency at data centers.

In FY 2015, 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 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 2015. DEA continued 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. Additionally, annual hazardous waste training was provided for DEA laboratory employees to ensure continued compliance with environmental laws and regulations at the facilities. 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 2017:

- Drug trafficking organizations continue to exploit new and evolving technologies to communicate, launder ill-gotten gains, and facilitate the smuggling of drugs and weapons. These methods continue to insulate DTOs from the criminal justice system. Current and future technological advancements diminish the lines and barriers of communication, finance, and economics. The rapid pace of new technologies, along with the trend toward total encryption, and their widespread adoption continue to challenge DEA's capabilities to identify, target and investigate drug trafficking and drug producing organizations. Virtual payment systems and global consumer markets in cyber space, the rapid pace of new technologies, along with the trend toward total encryption, and their widespread adoption promises significant challenges remain ahead of law enforcement. 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.
- International drug and chemical trafficking organizations use smuggling, money remittance, and communications infrastructures that can be readily exploited by terrorist organizations.

- Increasingly, Africa is a key storage and transshipment location for multi-ton quantities of South American cocaine destined for distribution in Europe and elsewhere. South American cocaine DTOs use drug-related profits to corrupt officials and partner with local criminal groups for logistical support. Drug 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 number 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.

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II. Summary of Program Changes & Offset

Item Name	Description	Pos.	FTE	Dollars (\$000)	Page
Heroin Enforcement	Resources will create four new enforcement groups, including support personnel and operational funding, to counteract growing heroin abuse in the United States.	42	21	\$12,483	85
Cybersecurity/ Insider Threat	Resources will allow DEA to establish an insider threat program as mandated by Executive Order 13587, as well as to build and sustain additional capability and capacity to monitor DEA's increasingly large and complex classified and sensitive information system resources from threats that could degrade DEA operations. This initiative includes Insider Threat funding per the Office of the Director of National Intelligence (ODNI) Director Decision Document (DDD).	11	6	\$7,561	93
Diversion Control	Resources requested for the Diversion Control Program to identify, target, disrupt, and dismantle the individuals and organizations responsible for the illicit manufacture and distribution of pharmaceutical controlled substances in violation of the Controlled Substances Act (CSA).	55	29	\$8,874	99
Program/ Administrative Savings	Program and administrative savings, such as those achieved through reducing the physical footprint, bulk purchases, and/or bundling investments will be realized in FY 2017.	-	-	(\$12,172)	103

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III. Appropriations Language and Analysis of Appropriations Language

Appropriations Language

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed \$70,000 to meet unforeseen emergencies of a confidential character pursuant to 530C of title 28 United States Code; 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, [\$2,091,609,000] \$2,102,976,000; 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.

CANCELATION

Of the unobligated balances from prior year appropriations available under this heading, \$6,192,000 are hereby permanently canceled: Provided, That no amounts may be canceled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Analysis of Appropriations Language

No significant changes are proposed for DEA's Salaries and Expenses (S&E) Account.

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IV. Program Activity Justification

A. International Enforcement

<i>International Enforcement</i>	Direct Pos.	Estimate FTE	Amount
2015 Enacted	1,074	934	\$442,640
2016 Enacted	1,074	934	\$466,364
Adjustments to Base and Technical Adjustments	0	0	\$6,027
2017 Current Services	1,074	934	\$472,391
2017 Program Increases	0	0	\$0
2017 Program Offsets	0	0	-\$4,520
2017 Request	1,074	934	\$467,871
Total Change 2016-2017	0	0	\$1,507

* This table only reflects DEA's S&E resources.

1. Program Description

The successes of DEA's foreign operations are based on the agency's ability to maintain a presence in all regions of the world. Therefore, in order to fulfill its international enforcement mission, DEA personnel must be strategically assigned worldwide. DEA strives to deploy its resources to the highest priority overseas locations to maximize DEA's impact on the global narcotics trade. As of September 2015, DEA's global footprint includes 89 offices in 68 countries. DEA personnel assigned to these offices 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 PTOs. PTOs engage in the highest levels of drug trafficking and/or drug money laundering operations that significantly impact international, national, regional, or local drug availability. DEA focuses its resources on PTOs with and without a direct connection to a CPOT. 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 it 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 targets vulnerabilities in the supply, transportation systems, and financial infrastructure of major DTOs. 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 SWB.

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 that target major DTOs. DEA trains and mentors vetted host nation law enforcement investigators that make up the SIUs. SIU investigators are polygraphed, trained, equipped, and guided by DEA. As of September 2015, the DEA SIU program manages 13 SIUs, which are comprised of over 800 host nation law enforcement officials. SIUs are currently located in the following countries: Afghanistan, Colombia, the Dominican Republic, Ecuador, Ghana, Guatemala, Honduras, Mexico, Nigeria, 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

Counternarcotics Initiatives in Afghanistan

DEA's continued focus in Afghanistan centers on key objectives that support the Government of the Islamic Republic of Afghanistan (GIROA) in its ongoing efforts to stabilize their country. DEA personnel assigned to the DEA Kabul Country Office (Kabul CO) provide training and mentoring for the National Interdiction Unit (NIU), Sensitive Investigative Unit (SIU), and the Technical Investigative Unit (TIU) of the Counter Narcotics Police of Afghanistan (CNP-A). DEA also works with the NIU and SIU to target major traffickers and affiliated organizations that fund insurgent activities and threaten U.S. national security interests. The majority of DEA's funding to sustain its presence in Afghanistan was provided by the Departments of State and Defense; therefore, DEA will continue to work with the interagency community to finalize its resource requirements for FY 2017.

Foreign-deployed Advisory Support Team (FAST) Program

FAST personnel deploy globally to provide capacity building, training, and operational support for DEA foreign offices and host nation counterparts. As of May 2015, FAST deployments to Afghanistan have ceased; however, FAST will continue to train DEA personnel prior to assignment to the Kabul CO. During FY 2015, FAST provided support for police units in Peru, Paraguay, Mexico, Poland, Norway, Bangladesh, Tanzania, El Salvador, Colombia, and Ecuador. In FY 2016 and FY 2017, FAST will deploy to various regions such as the Western Hemisphere, Africa, and the Indian subcontinent.

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's International Training Section (TRI) 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. TRI continually develops new curricula and changes the specific courses it offers in response to experiences, changes in law enforcement emphasis, current international narcotics trafficking situations, new technologies, and specific requests from host nation governments. For example, TRI conducts one and two- week specialized seminars designed to meet the specific needs of a particular country. Examples of specialized training seminars include the following: Airport Interdiction, Money Laundering, Clandestine Laboratory, and Basic and Advanced Intelligence Collection and Analysis Seminars.

Operation Breakthrough

Since 1993, DEA's Operation Breakthrough has provided the U.S. Government with unique forensic data and strategic intelligence on the nature and magnitude of the evolving global threats posed by illicit crop cultivation and drug production. DEA personnel, working with agronomists, interview farmers involved in coca or opium poppy cultivation, conduct field surveys to directly measure coca or opium yields per hectare, and collect coca or opium samples for DEA chemical analysis. DEA Breakthrough teams comprised of forensic chemists, intelligence analysts, diversion investigators, and special agents obtain information from individuals experienced in illicit drug processing. Overall, this program's original research and analysis have revolutionized the U.S. Government's collective understanding of the threats posed to the United States by illicit crops and drug production.

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 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
Active Foreign PT Os Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia			TT		2		TT		-		TT	
Active Foreign PT Os Not Linked to CPOTs Identified in the Middle East, Central Asia and Southwest Asia			TT		45		TT		-		TT	
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	
			161 \$69,450 [\$23,828]		161 \$69,450 [\$23,828]		108 \$61,534 [\$29,001]		0 \$605 [-\$8,100]		108 \$62,138 [\$20,901]	
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	1.1	International Enforcement	161	\$69,450 [\$23,828]	161	\$69,450 [\$23,828]	108	\$61,534 [\$29,001]	0	\$605 [-\$8,100]	108	\$62,138 [\$20,901]
Performance Measure: Output	1.1	Foreign PT Os Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia**	TT		2.0		TT		-		TT	
Performance Measure: Output	1.1	Foreign PT Os Not Linked to CPOTs Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia**	TT		23/9		TT		-		TT	
TT DEA does not establish targets for 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 overseas, 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.												

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 illicit drugs

RESOURCES			Target		Actual		Projected		Changes		Requested (Total)	
			FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
Active PT Os Linked to CPOT s			120		93		120		-		120	
Active PT Os Not Linked to CPOT s			320		360		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
			796	\$373,190 [(\$19,674)]	796	\$373,190 [(\$19,674)]	833	\$404,830 [(\$21,006)]	1	\$902 [\$0]	834	\$405,733 [(\$21,006)]
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Program Activity	2.3	International Enforcement	796	\$373,190 [(\$19,674)]	796	\$373,190 [(\$19,674)]	833	\$404,830 [(\$21,006)]	1	\$902 [\$0]	834	\$405,733 [(\$21,006)]
Performance Measure: Output	2.3	PTOs Linked to CPOTs Disrupted or Dismantled**	40/20		21/32		23/23		-		23/23	
Performance Measure: Output	2.3	PTOs Not Linked to CPOTs Disrupted or Dismantled**	110/60		105/78		98/72		-		98/72	
Performance Measure: Output	2.3	Number of International Students Trained ¹	2,838		3,691		2,300		-		2,300	
Performance Measure: Outcome	2.3	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied)	\$2.8 Billion		\$3.5 Billion		\$2.8 Billion		-		\$2.8 Billion	

** Refer to the second International Enforcement Performance Measure table with historical performance data for footnotes

¹ As of May 2015, FAST concluded its training mission in Afghanistan; therefore, the FY 2016 and FY 2017 targets for Number of International Students Trained have been decreased

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 CPOTs. 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 2011	FY 2012	FY 2013	FY 2014	FY 2015		FY 2016	FY 2017
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
1.1	Performance Measure	Foreign PT Os Linked to CPOT s Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia ¹	0/0	0/1	3/1	0/0	††	2/0	††	††
1.1	Performance Measure	Foreign PT Os Not Linked to CPOT s Disrupted/Dismantled in the Middle East, Central Asia and Southwest Asia ¹	12/3	14/1	16/5	23/2	††	23/9	††	††
2.3	Performance Measure	PT Os Linked to CPOT Target s Disrupted or Dismantled ^{1,2}	20/17	19/14	27/20	18/29	40/20	21/32	23/23	23/23
2.3	Performance Measure	PT Os Not Linked to CPOT Target s Disrupted or Dismantled ^{1,2}	65/73	75/62	78/57	82/65	110/60	105/78	98/72	98/72
2.3	Performance Measure	Number of International Students Trained ³	2,769	3,031	3,971	3,937	2,838	3,691	2,300	2,300
2.3	OUTCOME Measure	Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) ⁴	\$2.9 Billion	\$2.9 Billion	\$3.5 Billion	\$3.9 Billion	\$2.8 Billion	\$3.5 Billion	\$2.8 Billion	\$2.8 Billion

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

¹ PT Os disrupted includes PT Os disrupted closed (PT ARRS status code E). It excludes PT Os disrupted pending dismantlement (PT ARRS status code D).

² FY 2016 and FY 2017 targets have been adjusted since the FY 2017 OMB submission.

³ As of May 2015, FAST concluded its training mission in Afghanistan; therefore, the FY 2016 and FY 2017 targets for Number of International Students Trained have been decreased.

⁴ Monetary Value of Currency, Property and Drugs Seized (Drug Trafficker Revenue Denied) actual data for FY 2009- FY 2013 were adjusted due to updates of DEA's CATS, ST RIDE and INFO 7 databases. DEA is considering adding marijuana plant seizures in the Drug Trafficker Revenue Denied totals and will adjust performance targets accordingly.

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:

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.

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.

a. Performance Plan and Report for Outcomes

Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlement (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.) However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA’s external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

Due to this change, DEA is restating its year-end disruption and dismantlement statistics for fiscal years 2011-2015. As a consequence of the aforementioned alignment, DEA has adjusted its FY 2016 and FY 2017 targets accordingly. These changes are displayed in the graphs of PTO Performance that follow.

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 2017 Target: N/A

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

FY 2017 Target: N/A

DEA addresses the connection that exists between terrorism and drug trafficking by engaging in proactive enforcement and intelligence gathering operations with its host nation law enforcement

counterparts. DEA targets PTOs operating in the Middle East, Central Asia, and Southwest Asia and recognizes that strong collaborative partnerships with international counterparts are essential to a comprehensive drug control strategy and are critical to significantly reducing transnational crime, including narco-terrorism. From October 1, 2014 through September 30, 2015, DEA disrupted two but did not dismantle any foreign PTOs linked to CPOTs in the Middle East, Central Asia, and Southwest Asia. Furthermore, DEA successfully disrupted 23 and dismantled 9 foreign PTOs not linked to CPOTs.

DEA does not develop out year targets for disrupting and dismantling foreign PTOs linked and not linked to CPOTs in the Middle East, Central Asia, and Southwest Asia. These regions of the world pose 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, which includes intelligence sharing and participation and the support of U.S. foreign assistance programs. Also, some countries, such as Afghanistan, currently lack 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 CPOTs Disrupted or Dismantled*

FY 2017 Target: 23/23

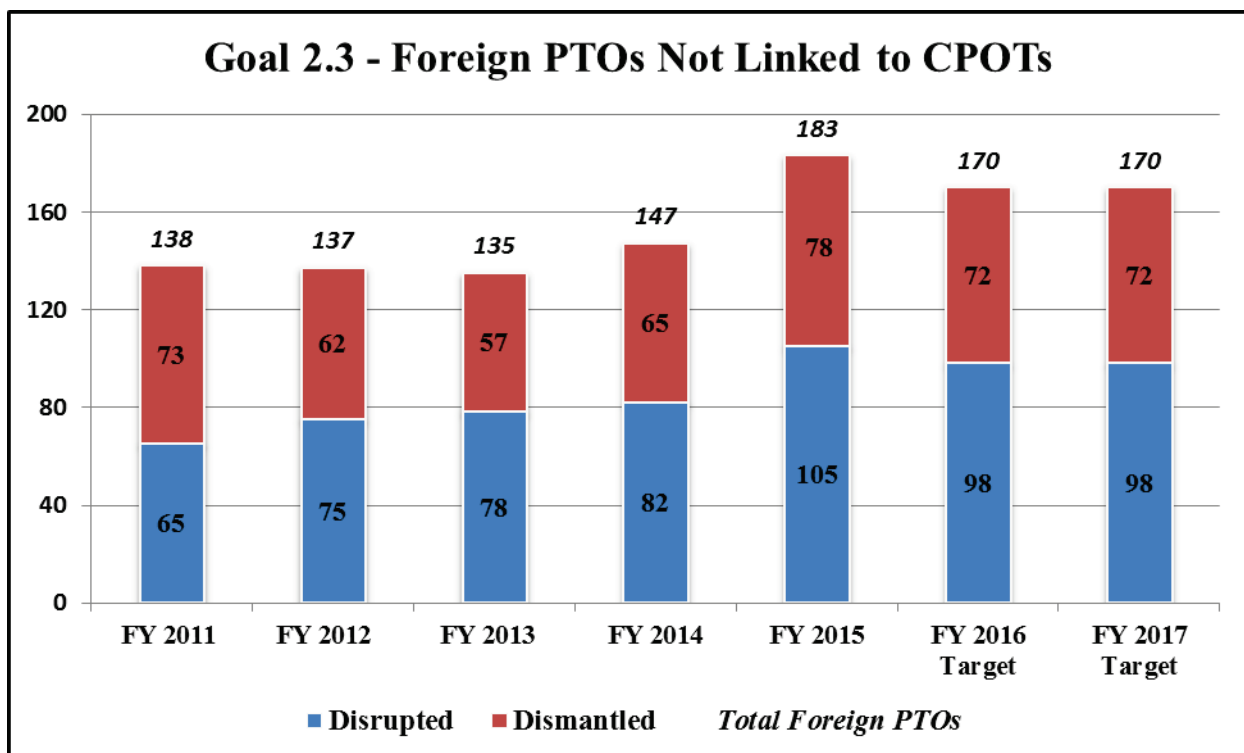
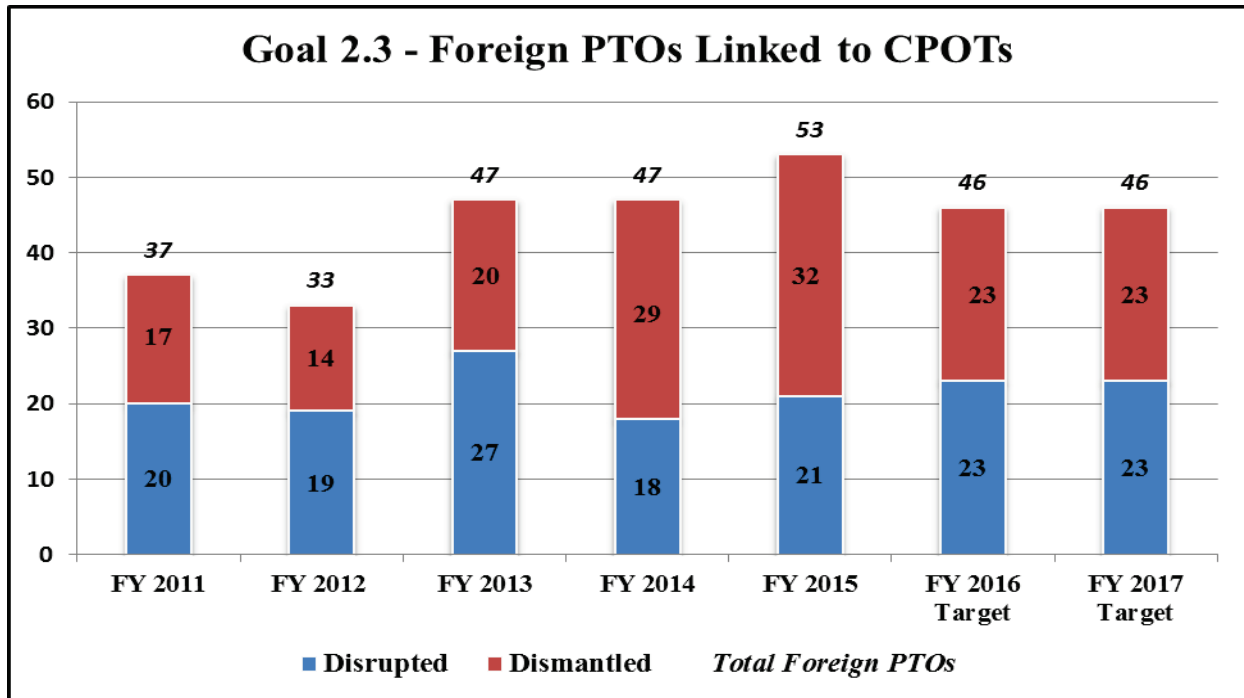
- *PTOs Not Linked to CPOTs Disrupted or Dismantled*

FY 2017 Target: 98/72

From October 1, 2014 through September 30, 2015, DEA disrupted 21 and dismantled 32 PTOs linked to CPOTs. This represents approximately 53 percent and 160 percent to target for each of the aforementioned dispositions, respectively. DEA also disrupted 105 and dismantled 78 PTOs not linked to CPOTs. This represents approximately 95 percent and 130 percent to target for each of the aforementioned dispositions, respectively. DEA's workforce faces numerous external variables in the foreign arena which make it difficult to predict or comprehensively assess actual versus targeted performance. While DEA strives to reallocate resources to regions where they are needed most, external challenges remain significant factors that result in fluctuations in DEA's overall performance.

DEA will continue to coordinate PTO investigations with its foreign and domestic counterparts in order to exceed performance targets established for FY 2016 and FY 2017. 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 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 2017 Target: 2,300

DEA also measures the effectiveness of its international enforcement efforts by the number of DEA-sponsored international training courses it conducts and participants it trains.

From October 1, 2014, through September 30, 2015, DEA trained a grand total of 3,691 foreign law enforcement officers. DEA's International Training Section (TRI) trained 3,155 foreign law enforcement participants. As of May 2015, there were 536 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 until FAST personnel deployments to Afghanistan officially ceased in May 2015.

DEA continues to provide advisory support and oversight for the Counter Narcotics Training Team (CNTT), previously known as the Afghanistan Regional Training Team (RTT) in Afghanistan. Since FY 2008, this program has been supported by reimbursable funding from DoD Central Command (CENTCOM) for special agent travel expenses, supplies, and small equipment purchases. CENTCOM also covers all costs for non-DEA CNTT contract instructors. The Afghanistan CNTT'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. As reported by DEA's Office of International Training, from October 1, 2014, through September 30, 2015, an estimated 3,966 Afghan law enforcement officers were trained by CNTT contract instructors.

Drug Trafficker Revenue Denied

Outcome Performance Measure:

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

FY 2017 Target: \$2.80 Billion

DEA's current objective is to maximize Drug Trafficker Revenue Denied to meet the challenge of crippling drug cartels so they are unable to reconstitute their operations with new leadership. Drug Trafficker Revenue Denied reflects the outcome of activities scored to DEA's International and Domestic Decision Units. From October 1, 2014 through September 30, 2015, DEA was responsible for denying \$3.5 billion in drug trafficking revenue, exceeding the FY 2015 target of \$2.8 billion. DEA is still considering adding marijuana plant seizures in the Drug Trafficker Revenue Denied totals and will adjust performance targets accordingly.

b. Strategies to Accomplish Outcomes

In reference to DEA International Enforcement performance measures and how these measures tie to DOJ's Strategic Objectives, please refer to *Section 3a. Performance Plan and Report for Outcomes* in the International Enforcement Decision Unit Justification.

In FY 2017, 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 2017, 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 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.

In June 2015, the 32nd annual IDEC was held in Cartagena, Colombia. The Colombian National Police (CNP) were hosts for the event and chose "Transformation of the Drug Phenomenon: A Global Challenge" as the conference theme. This year, 100 countries were represented at IDEC to include Armenia, Bangladesh, Croatia, Gabon, Kosovo, Senegal and Sri Lanka. Many representatives were high-level police and government including the commanding general of the Ecuadorian National Police, commandant of the Senegal Gendarmerie Nationale, and the director general of the Philippine Drug Enforcement Agency. In addition to the plenary sessions, regional and bilateral meetings took place. These gatherings set the stage for cross-border coordination of operations, intelligence sharing, joint training, and the establishment of priorities for the coming year. Overall, this year's IDEC provided a forum for law enforcement leaders throughout the world to collaborate and continue a tradition of cooperative successes. In 2016, IDEC will be held in Lima, Peru, which last hosted IDEC 22 in 2004.

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 continued to adjust its footprint in in Kabul, Afghanistan as the mission there transitions from military to civilian-led. In FY 2015, DEA received Kabul Embassy approval for 13 authorized permanent positions. In FY 2016 and FY 2017, DEA plans to continue working with the SIU and NIU in Afghanistan to target major traffickers and affiliated organizations that fund terrorist and insurgent activities and threaten U.S. national security

interests. Narcotics play an integral role in financing the insurgency and counternarcotic operations remain the best line of defense to directly impact and deny essential financing that fuels the insurgency and terrorist organizations. The SIU, in partnership with the DEA, operates the Afghan Judicial Wire Intercept Program (JWIP), a critical platform to support evidence-based and intelligence driven law enforcement operations, both within and outside Afghanistan. DEA will rely on its bilateral relationships with the SIU and NIU, while leveraging evidence obtained pursuant to the JWIP, to support international enforcement operations.

Throughout the world, DEA will concentrate its 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 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. SIUs established in selected countries make an important contribution to this end. 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 establish 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 DTOs. This includes the coordination of intelligence on the cultivation and manufacture of illicit substances, the sale of precursor chemicals for illegal drug production, and the transportation routes of these drugs into the United States. DEA's foreign offices share intelligence they have collected with relevant federal agencies to augment both foreign and domestic investigations. DEA also provides intelligence to assist the interagency community in determining future trends in drug trafficking and evaluating these trends to determine their long-term impact on drug trafficking. DEA's personnel abroad work closely with their domestic counterparts to investigate leads and dismantle international drug trafficking organizations that target American citizens. Therefore, the collection, analysis, and dissemination of strategic, investigative, and real-time intelligence are critical for DEA to identify international drug syndicates.

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B. Domestic Enforcement

<i>Domestic Enforcement</i>	Direct Pos.	Estimate FTE	Amount
2015 Enacted	7,097	5,631	\$1,586,735
2016 Enacted	7,202	5,631	\$1,610,179
Adjustments to Base and Technical Adjustments	0	0	\$9,047
2017 Current Services	7,202	5,631	\$1,619,226
2017 Program Increases	53	27	\$20,044
2017 Program Offsets	0	0	-\$7,647
2017 Request	7,255	5,658	\$1,631,623
Total Change 2016-2017	53	27	\$21,444

* This table only reflects DEA's S&E resources.

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, 40 District Offices, 116 Resident Offices, and 44 Posts of Duty. 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 (DTO) 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

DEA implemented this program 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.



DEA pursues the disruption or dismantling of Priority Targets linked to CPOTs via intelligence-driven multi-agency and multi-regional investigations. The goal is to dismantle these organizations so that reestablishment of the same criminal organization is impossible. DEA uses the investigative intelligence developed through the course of these investigations to identify and target all organizational elements on the drug trafficking continuum.

State and Local Task Force Program

DEA uses its task forces 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. Task forces act as an extension of DEA's traditional enforcement groups, targeting significant, high-level DTOs as their main focus. Many DTOs 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.

DEA assigns State and local Task Force Officers (TFOs) primarily 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 4th Quarter FY 2015, DEA led 192 state and local task forces. Moreover, these task forces consisted of an on-board strength of 2,197 DEA Special Agents and 2,704 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 DTO 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) 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's mission is to establish seamless law enforcement strategies and operations aimed at dismantling national and international drug trafficking and narco-terrorism organizations by attacking their command and control communications. Those organizations that operate across jurisdictional boundaries on a regional, national, and international level receive special emphasis. SOD provides foreign and domestic based Special Agents with timely investigative information enabling them to fully exploit federal law enforcement's investigative authority under Title III of the U.S. Code. SOD support consists of coordinating overlapping investigations, ensuring that tactical and strategic intelligence is de-conflicted and shared between law enforcement agencies, and providing financial support to those investigations that meet the investigative priorities of DEA. The SOD program plays a major role in high impact enforcement operations - and is one of the most effective ways investigators can obtain valuable information and intelligence in a timely manner to target the command and control of major DTOs. SOD's unique investigative support allows the program to act as a "force multiplier" for drug law enforcement by providing an effective and efficient medium for communication, intelligence sharing, and coordination among America's law enforcement agencies. Currently, thirty agencies are on-board as SOD participants.

SOD coordinates large-scale, nationwide operational initiatives such as ***Project Synergy***, a national cooperative effort in combating synthetic designer drug distribution, which also resulted in multiple OCDETF operations, in at least 13 federal districts. ***Project Synergy*** began in December 2012 and culminated in a nationwide take down on June 26, 2013, conducted by DEA, HSI, FBI, CBP, and the IRS, as well as domestic law enforcement departments in 45 states. This operation also included some of DEA's international partners with joint operations being conducted with Australia, New Zealand, Canada, and Barbados.

Project Synergy involved many investigations that culminated on June 26, 2013, and included 234 arrests, 416 search warrants, and 68 consent searches that led to the seizure of 305 kilograms of raw synthetic cathinones; 1,278 kilograms of raw synthetic cannabinoids; 10,263 packets of synthetic cathinones and cannabinoids; 959 kilograms of treated plant material ready to be packaged; \$53,201,595 in currency and assets; 132 vehicles; and 141 weapons.

The second phase of ***Project Synergy*** culminated in May 2014 and involved law enforcement action in 29 states. More than 150 individuals were arrested and federal, state, and local law enforcement authorities seized hundreds of thousands of individually packaged, ready to sell synthetic drugs as well as hundreds of kilograms of raw synthetic products to make thousands more. More than \$20 million in cash and assets were seized.

Phase III of ***Project Synergy*** consists of approximately 12 separate SOD-supported operations targeting Chinese sources of supply, shipping and transportation methods, domestic processing sites and re-distributors, packaging materials, as well as organic leaf substances used in the processing of synthetic drugs. Financial analysis continues to show that those involved in the trafficking of these products continue to launder tens of millions of dollars. Recently, SOD disseminated over 300 investigative leads to various DEA Field Divisions for follow-up investigation. On October 15, 2015, this DEA-led fifteen-month operation culminated with a

nationwide takedown, resulting in 151 arrests and the seizure of \$15,013,522; 316 kilograms of synthetic cathinones; 3,058 kilograms of synthetic cannabinoids; 98 kilograms of treated plant material; 7,314 kilograms of synthetic cannabinoid packs (filled); and 39 weapons. Since its initiation in December 2012, DEA's overall efforts through **Project Synergy** have resulted in 580 arrests and the seizure of \$160,013,522 in cash/assets; 1,130 kilograms of synthetic cathinones; 9,190 kilograms of synthetic cannabinoids; 98 kilograms of treated plant material; and 53 tons of synthetic cannabinoid packs (filled).

In response to the national crisis of heroin deaths plaguing many neighborhoods SOD has expanded on its traditional strategy of focusing on the top level, CPOT- driven investigations to include a deeper focus on local impact, street level violent crime networks and the drug supply chains. Since November 2014, numerous DEA investigations have been linked under **Project Rolling Thunder** in an attempt to further those investigations through judicial wire intercepts, Confidential Source driven intelligence, SOD databases, and intelligence analytical support to specifically target those organizations that are responsible for violent crime and to cut off their supply of drugs and ultimately their funds obtained from narcotics trafficking. As of FY2015, **Project Rolling Thunder** resulted in 1,506 arrests and the seizure of 1,004 kilograms of cocaine, \$23.1 million in currency, 303 pounds of heroin, 4,311 pounds of marijuana, 376 pounds of methamphetamine and 267 weapons.

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 to facilitate DEA seizures and arrests, strengthen investigations and prosecutions of major drug trafficking organizations, and inform policy makers' tactical and strategic decisions. DEA continues to operate a robust Document and Media Exploitation (DOMEX) program as well as producing high-priority strategic intelligence reporting. This strategic reporting includes the annual publication of a National Drug Threat Assessment (NDTA), which provides policy makers, senior law enforcement leaders, and US Intelligence Community managers with a comprehensive assessment of the major illicit drug threats in the United States. The DEA Intelligence Program continues to produce other national-level assessments, such as the 2015 National Heroin Threat Assessment.

DEA's Intelligence Division also operates the Department of Justice's Nationwide De-confliction System, where through electronic means a venue is provided to automatically de-conflict investigative information. Over 13,000 federal, state, local, and tribal law enforcement officers are active users of the system, which provides a means for both force protection to prevent potential blue-on-blue incidents, as well as to de-conflict and coordinate investigative information.

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.



El Paso Intelligence Center (EPIC)

DOMEX

In 2012, DEA established a Document and Media Exploitation Section within its Intelligence Division, under the Office of Special Intelligence. The section consists of fourteen teams: four teams and a small IT support group in Merrifield, four teams with the Utah National Guard in Salt Lake City, and six teams co-located with the OCDETF Strike Forces in Atlanta, Chicago, El Paso, Houston, Los Angeles, and Phoenix. In addition, the DEA Office of Forensic Sciences has two Digital Evidence Laboratories, one in Lorton, VA, and a second one in Salt Lake City, UT, to support the program. Its mission is to provide tactical assistance in the collection, triage, and analysis of large volumes of evidence in support of DEA and other OCDETF member agencies' investigations. The Document and Media Exploitation Section focuses on those investigations where a single individual is unable to analyze the complexity and volume of data in a reasonable amount of time.

Strategic Intelligence Products

The mission of DEA's Domestic Strategic Intelligence Unit within the Strategic Intelligence Section is to research, analyze, and produce balanced strategic analyses for policymakers, law enforcement authorities, and healthcare professionals. Annually, DEA's Intelligence Division publishes the NDTA, a national illicit drug price report, and other strategic intelligence products to identify drug production, trafficking, distribution, and abuse trends. The latest iteration was released in October 2015. In addition to the NDTA, in April 2015 for the first time DEA released a National Heroin Threat Assessment (NHTA.). The NHTA provides a comprehensive strategic assessment of the many facets of the heroin threat impacting communities across the United States.

The Intelligence Division continues to work with strategic intelligence partners, customers, and consumers on reporting priorities beyond the above mentioned products. DEA's field intelligence components, inclusive of EPIC, provide assistance to meet strategic reporting requirements through data collection and reporting.

Heroin and Cocaine Signature Programs

DEA's Heroin and Cocaine Signature Programs exemplify DEA's efforts and progress in intelligence-based policing and information sharing. The Heroin Signature Program (HSP), managed by the Intelligence Division, and the Cocaine Signature Program (CSP), managed by the Office of Forensic Sciences were initiated in 1977 and 1998, respectively, as essential components of DEA's ability to identify trends in heroin and cocaine trafficking and distribution in the U.S. Supported by scientific methodologies developed at DEA's Special Testing and Research Laboratory (SFL1), the ongoing objectives of these signature programs are to: (1) identify trends in heroin and cocaine trafficking and distribution in the U.S.; (2) identify the processing methods and geographic origins of the heroin and cocaine encountered in the U.S. drug market; and, (3) provide intelligence on wholesale purity and track transitions in heroin and cocaine smuggling patterns into the U.S.

The HSP and CSP are the only scientifically-based sources of information currently available to determine the manufacturing processes and geographic origins of the heroin and cocaine available in the U.S. Each program continually undergoes quality assurance checks by obtaining and analyzing authentic heroin and cocaine samples obtained from the primary production regions for both of these drugs. Each year, DEA chemists perform in-depth chemical analyses on an average of 600-900 heroin samples and 3,000 cocaine samples. Heroin samples analyzed via the HSP are taken from contraband seized at US ports of entry (POEs), all non-POE exhibits weighing over 1 kilogram, randomly chosen samples, and special requests for analysis. Cocaine samples analyzed under the CSP are obtained from bulk seizures of 10 kilograms or greater made throughout the United States and overseas.

Through their analysis, DEA chemists are able to associate respective heroin or cocaine samples with a production process, or "signature", which is indicative of a particular geographic source area. The resultant proportion of drug associated with each geographic source area is measured in terms of the net weight of drug seized and analyzed in the program from each area that year. Data obtained via the HSP and CSP, when used in conjunction with investigative information, drug production statistics, and seizure data, provides DEA with an overall long-term assessment of heroin and cocaine trafficking in the United States.

The DEA Intelligence Division and the DEA Office of Forensic Sciences publishes an annual HSP report and quarterly CSP reports, which provide law enforcement, drug policy makers, and drug abuse researchers with information regarding the substantive nature of domestic heroin and cocaine trafficking at the wholesale-level. Policy makers rely upon the HSP and CSP to provide credible, science-based judgments regarding the significance and definitive characteristics of the source regions supplying the U.S. market. HSP and CSP data provide DEA managers with information essential to determining how to most effectively allocate DEA resources, as well as

formulating and establishing effective counterdrug strategies to meet the threat posed by the trafficking of both of these drugs.

Heroin Domestic Monitor Program

The Heroin Domestic Monitor Program (HDMP) is a retail-level heroin purchase program conducted in 27 major metropolitan areas of the United States. HDMP samples provide data on the purity, price, and origin of street-level heroin. Each heroin purchase subsequently undergoes chemical and signature analysis at DEA's Special Testing and Research Laboratory to determine the purity and, where possible, the geographic source of the heroin. Since its inception in 1979, the HDMP has provided accurate assessments of the fluctuations in the domestic retail availability of heroin sourced from each of the major heroin areas – Mexico, South America, Southwest Asia, and Southeast Asia. Information derived through the HDMP has allowed DEA to aggressively target emerging heroin problems as well as develop strategies to counter them.

Intelligence Community Support

The Office of National Security Intelligence (ONSI) of the DEA was designated a member of the Intelligence Community (IC) in February 2006. The objective of ONSI is to maximize DEA's contribution to national security, while protecting the primacy of its law enforcement mission. Through the efforts of ONSI, 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 de-confliction efforts. These efforts serve as a force multiplier.

In addition to DEA's state and local Assistance Programs, DEA's Office of Training offers specialized training and professional development to state and local law enforcement officers in a variety program areas.



DEA Training Academy, Quantico, VA

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 federal, state, local, 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 Law Enforcement Officers (LEOs) and their analytical staff that includes: Critical Thinking; Federal Law Enforcement Analysts Training; and Presentation & Briefing Skills.

Domestic Cannabis Eradication/Suppression Program (DCE/SP)

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 128 primary and over 400 secondary state and local law enforcement agencies for eradication campaigns and suppression programs



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. From January through December 2014, DCE/SP enforcement operations accounted for the eradication of 4.3 million marijuana plants, 6,310 arrests, 6,979 weapons seized and the seizure of approximately \$27.3 million in assets. In CY 2013, DCE/SP enforcement operations resulted in the seizure of 4.4 million cannabis plants and \$29.8 million in drug trafficking assets.

DCE/SP Statistics

	Arrests	Seizures	
		Indoor/Outdoor Plants	Assets
CY 2006	8,144	5.2 million	\$77.0 million
CY 2007	8,321	7.0 million	\$54.9 million
CY 2008	8,296	8.0 million	\$65.9 million
CY 2009	10,047	10.4 million	\$37.1 million
CY 2010	9,685	10.3 million	\$34.3 million
CY 2011	8,502	6.7 million	\$42.1 million
CY 2012	6,508	3.9 million	\$32.0 million
CY 2013	6,512	4.4 million	\$29.8 million
CY 2014	6,310	4.3 million	\$27.3 million

Total denied revenue from Drug Trafficking Organizations (DTOs) targeted under the DCE/SP during CY 2014 was in excess of \$2 billion based on the national average retail value of marijuana (\$500.00 per pound). The total assets seized in 2014 were slightly less than the previous year. There are many factors that contribute to the decline in asset seizures. One factor that contributed to the decline is that illicit growers are becoming savvier in hiding their assets from law enforcement. DCE/SP anticipates this trend to continue especially in states that passed marijuana legalization laws as illicit growers may exploit legalization to disguise their profits from illicit marijuana cultivation.

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 Tables

PERFORMANCE AND RESOURCES TABLE												
Decision Unit: Domestic Enforcement												
DOJ Strategic Goal 1: Prevent Terrorism and Promote the Nation's Security Consistent with the Rule of Law												
Strategic Objective 1.1: Prevent, disrupt, and defeat terrorist operations before they occur by integrating intelligence and law enforcement efforts to achieve a coordinated response to terrorist threats												
RESOURCES			Target	Actual	Projected	Changes		Requested (Total)				
			FY 2015	FY 2015	FY 2016	Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request				
Number of Incoming Requests for Information (RFI) from the Intelligence Community (IC)			600	552	650	50		700				
Total Costs and FTE			FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)			100	\$18,203 [\$407]	100	\$18,203 [\$407]	100	\$18,511 [\$495]	0	\$1,379 [\$0]	100	\$19,890 [\$495]
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
Program Activity	1.1	National Security Intelligence	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
			100	\$18,203 [\$407]	100	\$18,203 [\$407]	100	\$18,511 [\$495]	0	\$1,379 [\$0]	100	\$19,890 [\$495]
Performance Measure: Output	1.1	Percentage of IC RFIs provided by requested deadline	100%		77%		100%		-		100%	

PERFORMANCE AND RESOURCES TABLE con't														
Decision Unit: Domestic Enforcement														
DOJ Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal 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 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request			
Active PTOs Linked to CPOTs ^{1,2}			540		596		540		-		540			
Active PTOs Not Linked to CPOTs ^{1,2}			2,060		2,735		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	
			6,627		\$1,568,532 [\$480,341]		6,627		\$1,568,532 [\$480,341]		6,648		\$1,591,668 [\$505,089]	
			29		\$20,065 [\$1,727]		6,677		\$1,611,733 [\$506,816]					
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request			
Program Activity	2.3	Domestic Enforcement	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000		
			6,627	\$1,568,532 [\$480,341]	6,627	\$1,568,532 [\$480,341]	6,648	\$1,591,668 [\$505,089]	29	\$20,065 [\$1,727]	6,677	\$1,611,733 [\$506,816]		
Performance Measure: Output	2.3	PTOs Linked to CPOTs Disrupted or Dismantled ^{2,3}	270/110		169/132		160/145		-		160/145			
Performance Measure: Output	2.3	PTOs Not Linked to CPOTs Disrupted or Dismantled ^{2,3}	1,280/570		846/743		731/689		-		731/689			
Performance Measure: Output	2.3	# of Federal, State, and Local Law Enforcement Officers Trained ⁴	32,175		40,111		39,000		-		39,000			
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). It <u>excludes</u> 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 evicseration such that it is incapable of operating and/or reconstituting itself. **Dismantlement** means destroying the organization's leadership, financial base and supply network such that the organization is incapable of operating and/or reconstituting. 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: PT ARRS provides a means of electronically validating and verifying PTO data through the following approval chain:

- * **Case Agent** - Through PT ARRS, 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, PT ARRS 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 CPOTs. 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 are combined with the data generated by the DEA Training Academy and reported quarterly based on the fiscal year.

Data Validation and Verification: Data are reviewed up on 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 2011	FY 2012	FY 2013	FY 2014	FY 2015		FY 2016	FY 2017
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
1.1	Performance Measure	Percentage of IC RFIs Provided by Requested Deadline	75%	77%	90.5%	80%	100%	77%	100%	100%
2.3	Performance Measure	PT Os Linked to CPOTs Disrupted or Dismantled ^{1,2}	138/151	141/126	165/158	158/154	270/110	169/132	160/145	160/145
2.3	Performance Measure	PT Os Not Linked to CPOTs Disrupted or Dismantled ^{1,2}	654/665	651/663	756/672	794/713	1,280/570	846/743	731/689	731/689
2.3	Performance Measure	# of Federal, State, and Local Law Enforcement Officers Trained ³	51,193	49,118	39,308	38,448	32,175	40,111	39,000	39,000
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 PT Os associated with DEA's Diversion Control Program.

² PT Os disrupted includes PT Os disrupted closed (PT ARRS status code E). It excludes PT Os disrupted pending dismantlement (PT ARRS status code D).

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

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 the Department’s 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.

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 and Strategic Objective 2.3.

a. Performance Plan and Report for Outcomes

Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlement (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.). However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA’s external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

Due to this change, DEA is restating its year-end disruption and dismantlement statistics for fiscal years 2011-2015. As a consequence of the aforementioned alignment, DEA has adjusted its FY 2016 and FY 2017 targets accordingly. These changes are displayed in the graphs of PTO Performance that follow.

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.*

DEA’s Efforts to Combat Violent Crime and Gang-Related Drug Traffickers

DEA’s ongoing efforts to combat violent drug trafficking organizations in specific neighborhoods and restore safer environments for the residents are well documented. 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. DEA employs traditional and creative enforcement methods that lead to the disruption or dismantlement of targeted organizations and the incarceration of their leaders and facilitators.

Although it no longer has a reporting requirement under DOJ’s Strategic Plan or its current Priority Goal Initiative, DEA continues to monitor and evaluate its success against violent crime through its obligatory participation in GangTECC as well as its reporting and programmatic reviews conducted as part of the Department’s Strategic Objective Review process.

Output Performance Measure:

- *None*

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:

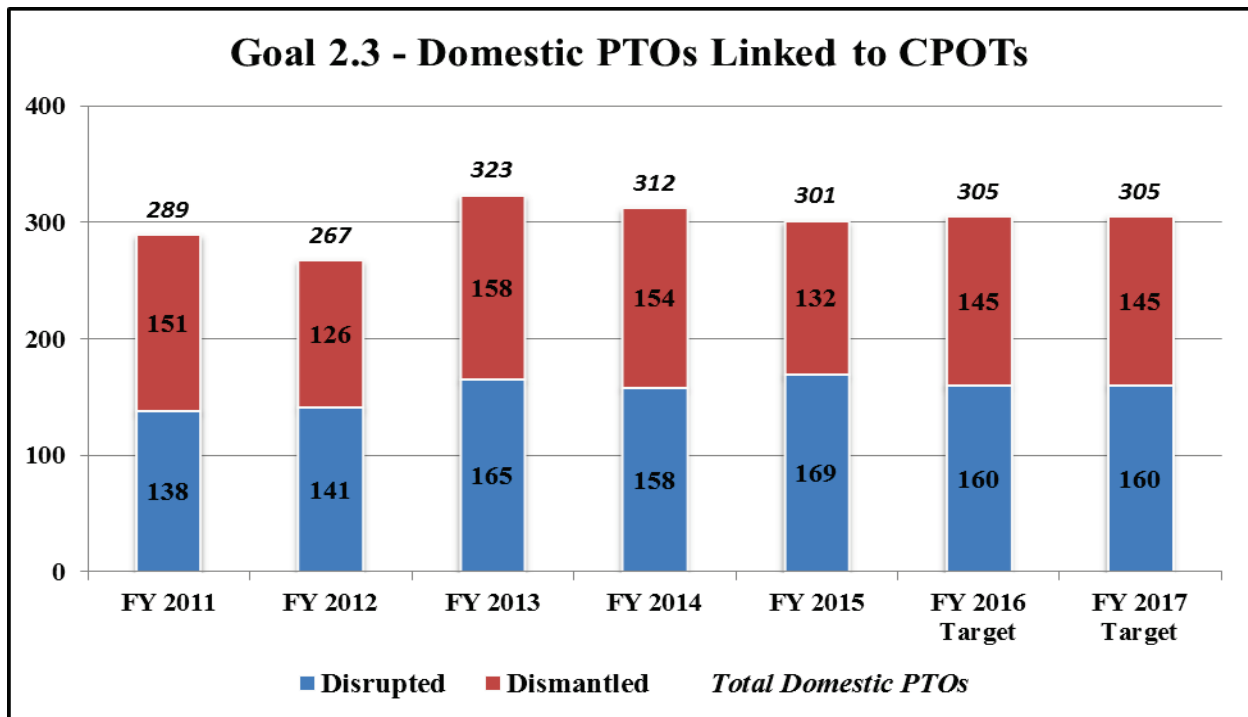
- *PTOs Linked to CPOT Targets Disrupted or Dismantled*

FY 2017 Target: 270/110

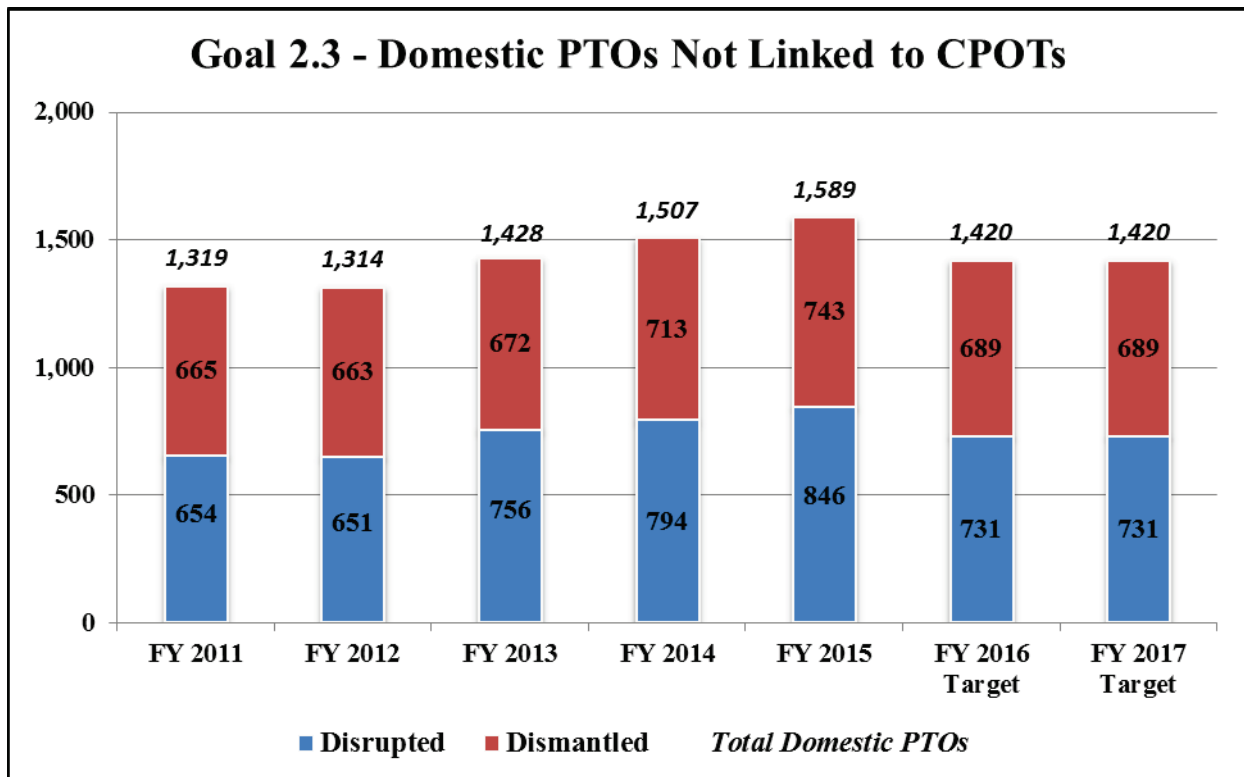
- *PTOs Not Linked to CPOT Targets Disrupted or Dismantled*

FY 2017 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. From October 1, 2014 through September 30, 2015, DEA disrupted 169 and dismantled 132 PTOs linked to CPOT targets. This represents approximately 63 percent and 120 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. Through 4th Quarter FY2015, DEA disrupted 846 and dismantled 743 PTOs not linked to CPOT targets. This represents approximately 66 percent and 131 percent to target for each of the aforementioned dispositions, respectively.



At the start of FY 2014, DEA had 3,699 Special Agents on-board in domestic field divisions and Basic Agent Training; a 3 percent decrease from the 3,814 that were on board at the start of FY 2013. At the start of FY 2015, that number dropped by 7 percent to 3,440 Special Agents on-board. Thus, DEA has experienced a decline in the number of Special Agent work hours (or FTE) available for PTO and non-PTO investigations. Correspondingly, the number of non-PTO cases initiated, an anticipated source of future PTOs, has similarly decreased. However, DEA continues to pursue collaborative investigations involving OCDETF and GangTECC as well as SOD-supported, multi-jurisdictional efforts among state and local LEO partners, which continue to provide a source of PTO investigations. DEA has focused its operational activities against high value targets and has been able sustain 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). DEA expects that it will continue to meet its current and adjusted targets for CPOT linked and non-CPOT linked PTO dispositions in FY 2016 and FY 2017 given it is able to meet its hiring goals for Special Agents and support personnel positions.

State and Local Law Enforcement Officer Training

Output Performance Measure:

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

FY 2015 Target: 32,175

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. Because DEA underestimated the actual and lingering impact of Sequestration on training, it adjusted its target downward for FY 2015. Targets for FY 2016 and FY 2017 will remain level due to anticipated budgetary constraints. This reduced target is not expected to have an adverse impact on public health and safety or the safety and security of law enforcement personnel. However, with a target of 32,175 state and local officers trained, through 4th Quarter FY 2015, DEA trained 40,111 state and local law enforcement officers, which represents 125 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). 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, in anticipation of limited resources and competing priorities.

Drug Trafficker Revenue Denied

Outcome Performance Measure:

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

FY 2017 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

In FY 2017, DEA will continue to pursue the following agency initiatives and program objectives in support of DOJ's Strategic Objectives 1.1, 2.1 and 2.3:

***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. Given the threat of illegal drugs, and related violence along the SWB, DEA's efforts are critical.

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: DEA Office of National Security Intelligence; Representation in the National Security Council Office for Combating Terrorism; Organized Crime Drug Enforcement Task Force Fusion Center (OFC); and the National Virtual Pointer System (an information system that provides federal, state, and local law enforcement agencies with a target de-confliction 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. Through 4th Quarter of FY 2015, DEA led 192 state and local task forces. Moreover, these task forces consisted of an on-board strength of 2,197 DEA Special Agents and 2,704 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 80 percent of all OCDETF investigations, and participates in 88 percent of the OCDETF investigations. In FY 2015, 37.3 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.

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 128 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: Protect our communities by reducing gun violence using smart prevention and investigative strategies in order to prevent violent acts from occurring; by FY 2015 [and through FY 2017].

DEA's ongoing efforts to combat violent drug trafficking organizations in specific neighborhoods and restore safer environments for the residents are well documented. 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) that established an operational 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 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.

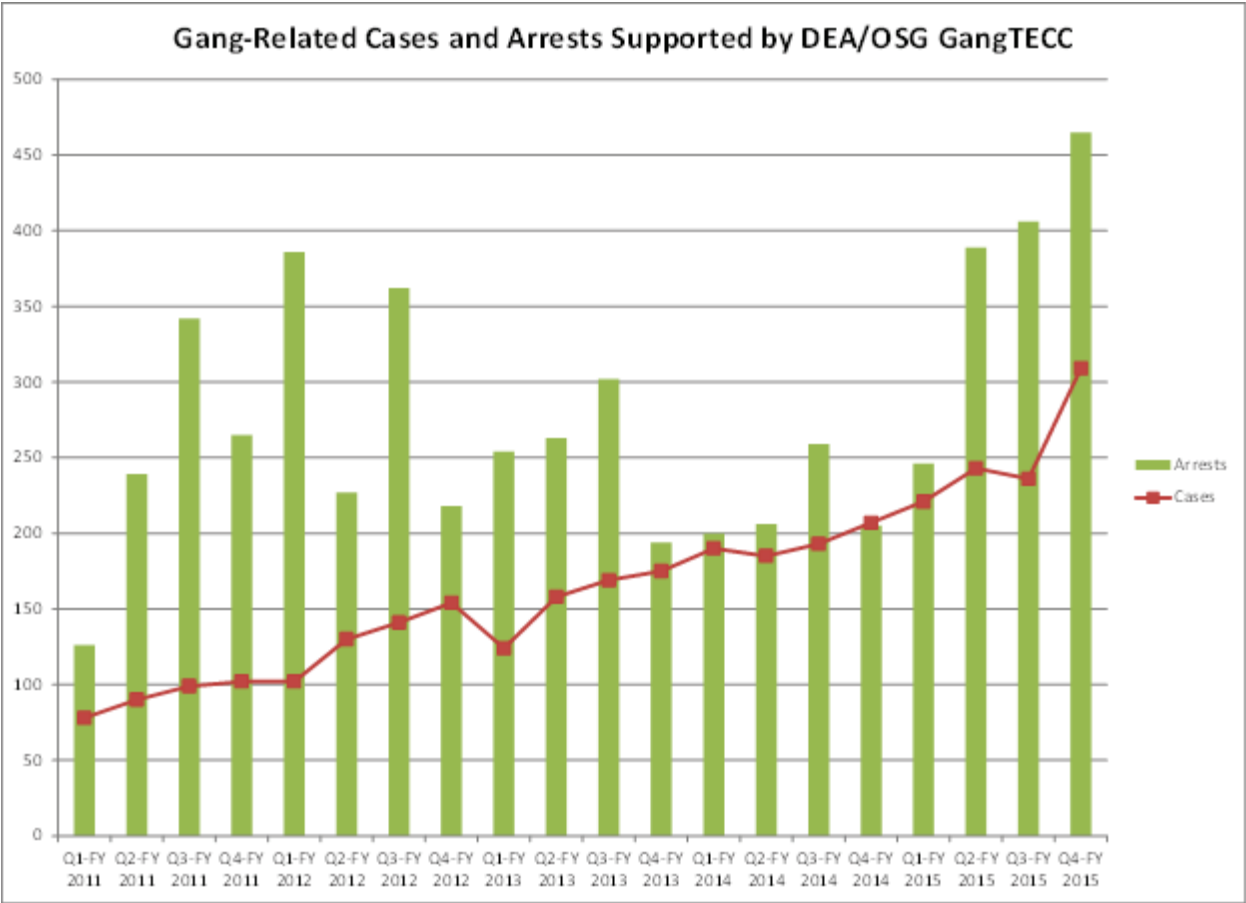
There are a number of notable cases of disruption of gang-related cases. For example, in November 2014, DEA initiated *Project Rolling Thunder*, a SOD-support initiative targeting Violent Urban Organized Crime. The focus of *Project Rolling Thunder* is violence reduction in local and regional impact areas and identifying drug cartel connections and choke points supplying these organizations in the United States.

Although it no longer has a reporting requirement under DOJ's priority goal initiative, DEA continues to monitor and evaluate its success against violent crime through its obligatory participation in GangTECC as well as its reporting and programmatic reviews conducted as part of the Department's Strategic Objective Review processes. In FY 2014, DEA/GangTECC supported 207 gang-related cases that have yielded 870 arrests, and in FY 2015, DEA/OSG supported 309 gang-related cases resulting in 1,506 arrests.

Specific DEA Workload and Performance Measures in support of DOJ's long-term goals/objectives and its Strategic Review include:

- Number of gang-related investigations supported by DEA/OSG/GangTECC; and
- Number of gang-related arrests attributed to investigations supported by DEA/OSG/GangTECC.

A clear demonstration of DEA sustained effort against gang-related violence in support of GangTECC is captured in the following graph:



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, through FY 2017 as a significant contributor to DOJ’s Strategic Objective Reviews.

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C. State and Local Assistance

<i>State and Local Assistance</i>	Direct Pos.	Estimate FTE	Amount
2015 Enacted	26	22	\$3,945
2016 Enacted	26	22	\$3,457
Adjustments to Base and Technical Adjustments	0	0	\$30
2017 Current Services	26	22	\$3,487
2017 Program Increases	0	0	\$0
2017 Program Offsets	0	0	-\$5
2017 Request	26	22	\$3,482
Total Change 2016-2017	0	0	\$25

* This table only reflects DEA's S&E resources.

1. Program Description

DEA provides assistance to state and local law enforcement agencies through its State and Local Clandestine Laboratory Training and Clandestine Drug Laboratory Cleanup Programs. DEA's Salaries and Expenses (S&E) Account funds the authorized positions associated with these programs; however, operational funding is provided by the Department of Justice's (DOJ) Office of Community Oriented Policing Services (COPS). During FY 2015, COPS transferred \$7 million to DEA for state and local lab cleanups. If cleanup requests remain relatively stable, the \$11 million in COPS reimbursable funding for FY 2016 and requested in FY 2017 will be sufficient to support the program.

DEA also collaborates with its state and local law enforcement partners through task forces and the Domestic Cannabis Eradication/Suppression Program (DCE/SP), as well as less formal information sharing and de-confliction efforts. DEA identifies resources for these joint law enforcement efforts as a component of the Domestic Enforcement Decision Unit.

DEA's State and Local Assistance Decision Unit includes two programs: State and Local Clandestine Laboratory Training and Clandestine Drug Laboratory Cleanup Programs. The corresponding performance measure is addressed below:

State and Local Clandestine Laboratory Training

DEA has consistently responded to the training needs of the U.S. law enforcement community and recognizes the value of sharing drug law enforcement techniques. DEA's Office of Training Clandestine Laboratory Unit has developed programs it continues to provide to assist federal, state, and local officers in the areas of investigation, dismantling, and disposal of illicit clandestine laboratories. This training provides instruction in the safe dismantling and disposal of clandestine laboratories, Occupational Safety and Health Administration (OSHA) compliance, current trends in the manufacturing of illicit controlled substances, along with clandestine laboratory tactical training. In addition to the domestic mission of training Special Agents and state and local law enforcement personnel, the Clandestine Laboratory Unit also provides First

Responder/Awareness training and a First Responder/Awareness Train-the-Trainer Program to international law enforcement agencies.



DEA Clandestine Laboratory Training

Clandestine Drug Laboratory Cleanup Program

State and local personnel are often confronted with an extremely hazardous environment when called to the scene of clandestine laboratories. Clandestine laboratories, known as “small toxic labs,” are generally unaffiliated with large drug trafficking organizations and produce less than ten pounds of methamphetamine per production cycle. These labs are found in rural areas, tribal and federal lands, cities, and suburbs. Most often, state or local personnel first encounter these laboratories and must ensure that they are investigated, dismantled, and disposed of appropriately. DEA is in a unique position to assist state and local law enforcement with hazardous waste cleanups while maintaining a nationwide set of contracts. In FY 2015, DEA coordinated over 7,300 state and local lab cleanups. Included in the total are the pickup and disposal of approximately 7,150 labs through 205 Container Programs and approximately 150 additional state and local cleanups that DEA administered during this same time period.

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		Change s		Reque sted (Total)		
			FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Change s		FY 2017 Reque st		
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)			22	\$3,945 [\$0]	22	\$3,945 [\$0]	22	\$3,457 [\$0]	0	\$25 [\$11,000]	22	\$3,482 [\$11,000]	
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE		FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Change s		FY 2017 Reque st	
Program Activity	2.3	State and Local Assistance		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
				22	\$3,945 [\$0]	22	\$3,945 [\$0]	22	\$3,457 [\$0]	0	\$25 [\$11,000]	22	\$3,482 [\$11,000]
Performance Measure	2.3	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement		1,200		1,888		1,220		-		1,240	
State and Local Clandestine Laboratory Training													
Data Definition: DEA's Office of Training 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 are reviewed upon receipt. Technical or unusual deviations are verified.													

PERFORMANCE MEASURE TABLE											
Decision Unit: State and Local Assistance											
Strategic Objective	Performance Report and Performance Plan Targets		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015		FY 2016	FY 2017	
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target	
2.3	Performance Measure	# of State and Local Law Enforcement Officers Trained in Clandestine Laboratory Enforcement		1,384	1,023	1,696	1,484	1,200	1,888	1,220	1,240

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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:

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.

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 Clandestine Laboratory Training and the Clandestine Drug Laboratory Cleanup Program. The corresponding performance measure is addressed below:

State and Local Clandestine Laboratory Training

Output Performance Measure:

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

- **FY 2017 Target: 1,240**

Educating law enforcement personnel on the techniques used to investigate and dismantle clandestine labs serves as a force multiplier for DEA. Through the fourth quarter of FY 2015, DEA trained 1,888 state and local law enforcement officers in clandestine laboratory enforcement investigative methods and safety techniques. During the past fifteen years, DEA has trained over 20,000 state and local law enforcement officers in identifying and processing clandestine laboratories. Since there is an increasing demand for clandestine laboratory training, DEA anticipates exceeding the performance targets established for FY 2016 and FY 2017.

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 environmental hazards encountered at clandestine laboratories as well as the procedural differences between traditional drug investigations and clandestine laboratory investigations. DEA also ensures that State and local personnel receive familiarization training on the required 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 has developed a container based cleanup program. Through this program, DEA trains and certifies law enforcement officers on how 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 until 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. The Container Program has resulted in significant cost savings in states that have operational programs (a contractor cleanup averages \$3,780 and a container cleanup averages \$265). Container Program and contractor clean-ups are both funded by DEA using COPS funding.

There are currently 18 states with operational container programs: Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Mississippi, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, and Virginia. Nebraska recently signed a Letter of Agreement with DEA to implement container a program and is expected to be operational in FY 2016.

D. Diversion Control Fee Account

<i>Diversion Control Fee Account</i>	Direct Pos.	Estimate FTE	Amount
2015 Enacted with Sequester	1,497	1,356	\$339,825
2016 Enacted with Sequester	1,497	1,356	\$346,490
Adjustments to Base and Technical Adjustments	100	100	\$27,298
2017 Current Services	1,597	1,456	\$373,788
2017 Program Increases	55	29	\$8,874
2017 Program Offsets	0	0	\$0
2017 Request	1,652	1,485	\$382,662
Total Change 2016-2017	155	129	\$36,172

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 healthcare providers and industry, as well as federal, state, and local counterparts. All of the goals, strategies, and initiatives supported by the DCP are intended to establish and maintain strong standards of control; aid in detecting and preventing the diversion of pharmaceutical controlled substances and listed chemicals; enhance public safety by ensuring accountability; and improve qualitative reporting requirements within its network of compliance indicators. DEA actively regulates more than 1.62 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 uses criminal, civil, and administrative penalties against those who are involved in the diversion of licit controlled substances and listed chemicals, as well as individuals and/or organizations otherwise violating the CSA and its implementing regulations. By statute, registration fees must be set at a level that ensures the recovery of the full costs of operating the DCP.



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2. Performance and Resources 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 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
Number of Criminal Case Initiations ¹			1,929		1,713		1,929		-		1,929	
Active Diversion PT Os ²			560		844		560		-		560	
Number of Drug and Chemical New Applicants Processed (throughout the FY)			79,955		109,800		79,955		-		79,955	
Total Costs and FTE (reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)			FTE		FTE		FTE		FTE		FTE	
			\$000		\$000		\$000		\$000		\$000	
			1,356		1,356		1,356		129		1,485	
			(\$339,825)		(\$339,825)		(\$346,490)		(\$36,172)		(\$382,662)	
TYPE	STRATEGIC OBJECTIVE	PERFORMANCE	FY 2015		FY 2015		FY 2016		Current Services Adjustments and FY 2017 Program Changes		FY 2017 Request	
Program Activity	2.3	Diversion of Licit Drugs and Chemicals	FTE		FTE		FTE		FTE		FTE	
			\$000		\$000		\$000		\$000		\$000	
			1,356		1,356		1,356		129		1,485	
			(\$339,825)		(\$339,825)		(\$346,490)		(\$36,172)		(\$382,662)	
Performance Measure: Output	2.3	Number of Administrative Actions	n/a		2,301		2,301				2,301	
Performance Measure: Output	2.3	Number of Civil Penalties	n/a		66		66				66	
Performance Measure: Output	2.3	Number of Diversion PT Os Linked to CPOT Targets Disrupted / Dismantled ³	0/0		0/0		0/0		-		0/0	
Performance Measure: Output	2.3	Number of Diversion PT Os Not Linked to CPOT Targets Disrupted / Dismantled ³	275/150		185/248		146/216		-		146/216	
Performance Measure: Output	2.3	Number of Outreach/Public Education Events Completed (Overall)	n/a		122		134				134	
Performance Measure: Output	2.3	Number of Planned Scheduled Investigations Completed (Overall)	4,200		4,151		3,200		-		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 (DEP 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.

³ PTOs disrupted includes PTOs disrupted/closed (PTARRS status code E). It excludes PTOs disrupted pending dismantlement (PTARRS status code D).

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 Actions/Civil Penalties: Consists of civil fines, administrative hearings, letters of admonition/MOU, 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 offense. 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 ongoing 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/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 2011	FY 2012	FY 2013	FY 2014	FY 2015		FY 2016	FY 2017
			Actual	Actual	Actual	Actual	Target	Actual	Target	Target
2.3	Performance Measure	Number of Administrative Actions	n/a	n/a	2,268	2,392	↑↑	2,301	2,301	2,301
2.3	Performance Measure	Number of Civil Penalties	n/a	n/a	87	66	↑↑	66	66	66
2.3	Performance Measure	Number of Diversion PTOs Linked to CPOTs Disrupted & Dismantled ^{1,2}	1/8	2/0	0/0	3/6	0/0	0/0	0/0	0/0
2.3	Performance Measure	Number of Diversion PTOs Not Linked to CPOTs Disrupted & Dismantled ^{1,2}	68/151	72/156	124/172	128/229	275/150	185/248	146/216	146/216
2.3	Performance Measure	Number of Scheduled Investigations Completed (Overall)	4,340	4,668	5,685	4,397	4,200	4,151	3,200	3,200
2.3	Performance Measure	Number of Outreach/Public Education Events Completed (Overall)	n/a	n/a	114	165	↑↑	122	134	134

¹ Prior to FY 2010, the Diversion Control Program was not officially part of the DEA's Priority Targeting Program; therefore, PTO data reported for FY 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 CSA2 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.

² PTOs disrupted includes PTOs disrupted closed (PT ARRS status code E). It excludes PTOs disrupted pending dismantlement (PT ARRS status code D).

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3. Performance, Resources, and Strategies

The DCP contributes to DOJ's Strategic Goal 2: "Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law." The DCP's resources ensure a strong deterrence against the diversion of controlled substances and listed chemicals, and illegal prescribing and dispensing of controlled substances.

a. Performance Plan and Report for Outcomes

Prior to FY 2005, DEA reported its PTO disruptions and dismantlements for closed cases. Thereafter, it included PTOs disrupted pending dismantlement (Category D – PTOs) among its disruption statistics because these cases achieved significant enforcement milestones (arrests, seizures, etc.) However, internally, DEA has never included disruptions pending dismantlement in its year-end reporting. Therefore, in order to align DEA's external and internal reporting, DEA has decided to exclude disruptions pending dismantlement from its year-end accounting of disruptions and dismantlements.

Due to this change, DEA is restating its year-end disruption and dismantlement statistics for fiscal years 2011-2015. In addition, DEA has adjusted its FY 2016 and FY 2017 targets as a result of this realignment. These changes are displayed in the graph of PTO Performance that follows.

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 New CSA Applications Processed*

DEA initiates criminal investigations on those suspected of criminal violations of the CSA. As a participant in the PTO program, Diversion PTOs can be criminal and/or regulatory. PTO investigations are administrative, civil, and criminal 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. However, because CPOT-linked investigations are not the focus of the DCP, there may not be any disruptions or dismantlements of PTOs linked to CPOTs for Diversion in any given year.

Each year since the establishment of the DCP, DEA has received new applications for Drug and Chemical CSA registrations. In FY 2015, the DCP processed 109,800 new drug and chemical applications. The DCP has no control over the number of new applications submitted, and the number of new applicants may vary greatly from year to year. Thus, the DCP's projected number of new applicants is based on prior year trends and solely intended to represent potential

workload for FY 2016 and beyond. The DCP will continue to process all incoming registration application requests in a concise and timely manner.

Output Performance Measures:

- *Number of Administrative Actions*

FY 2017 Target: 2,301

- *Number of Civil Penalties*

FY 2017 Target: 66

- *Number of Diversion PTOs Disrupted & Dismantled (Including Linked to CPOTs and Not Linked to CPOTs)*

FY 2017 Target: 146/216

- *Number of Planned Scheduled Investigations Completed (Overall)*

FY 2017 Target: 3,200

- *Number of Outreach/Public Education Events Completed (Overall)*

FY 2017 Target: 134

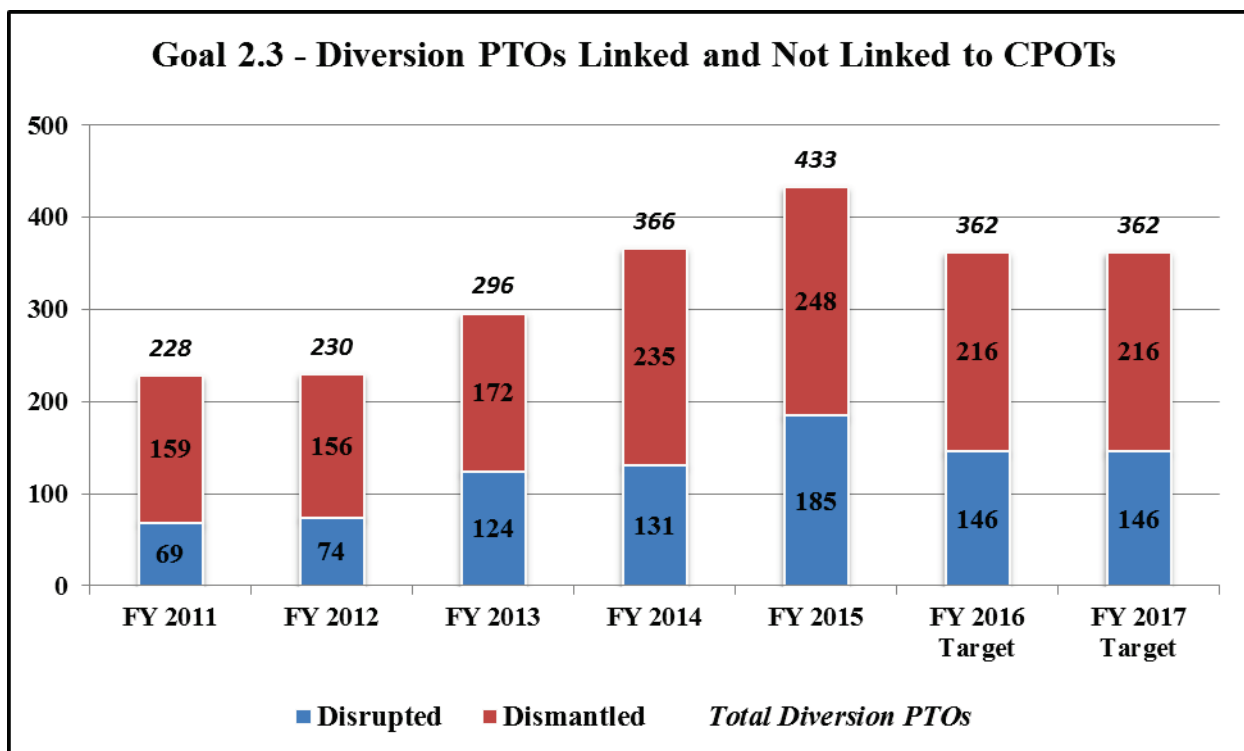
DEA can initiate a variety of actions for violations of the CSA or its implementing regulations. The type(s) of action taken is typically driven by the severity of the offense(s) and whether or not a registrant was the subject of any previous actions, including the following:

- Administrative actions are handled by DEA and can include (1) a letter of admonition to advise the registrant of any violations and necessary corrective action(s); (2) a memorandum of agreement (an agreement between DEA and a registrant in which the registrant agrees to specific corrective behavior(s)); (3) an order to show cause, which proposes 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 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 and first established targets for FY 2016 and 2017 at the end of FY 2015. DEA will report progress against these targets in FY 2016 and beyond. 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 DCP began focusing on the identification of PTOs and their eventual disruption and dismantlement. DEA reports 131 disruptions and 235 dismantlements for FY 2014, based on the above-mentioned change in DEA’s methodology for counting disruptions and dismantlements CPOT-linked and not CPOT-linked combined. In FY 2015, DEA reported 185 PTOs disrupted and 248 PTOs dismantled or approximately 67 and 165 percent to FY 2015 target, respectively.



While the frequency of investigations for certain classes of registrants (i.e., drug and chemical distributor registrants) have increased, and the number of pharmacies subject to investigation has been broadened, the frequency of investigations for other classes or registrants (i.e., DATA-waived practitioners) have actually decreased. These changes took effect as of mid-FY 2014 and were in effect for all of FY 2015. Pursuant to the implementation of these new protocols, the number of scheduled investigations in FY 2015 was 4,151.

DEA conducts numerous outreach and public education events throughout the fiscal year. The various conferences and seminars provide information to our registrants, industry, law enforcement, educators, and the general public. While some outreach events are pre-planned, many are implemented on an ‘as-needed’ basis as outreach and education needs change with the highly dynamic nature of diversion trends. In FY 2013, DEA conducted over 110 outreach and public education events. In FY 2014, DEA conducted over 150 such events. In FY 2015, DEA conducted 122 outreach and public education events. Combatting the growing problem of

pharmaceutical controlled substance diversion requires a comprehensive and coordinated effort. As part of this effort, the DEA plans to continue to effectively work with its registrants and the industry associations representing them by hosting and/or attending additional meetings with other industry associations as well as continue to host and/or attend meetings with registrants in FY 2016 and FY 2017.

Prescription take-back days are convenient opportunities for the public to rid their medicine cabinets of unused, unwanted or expired medications for safe and proper disposal. Since FY 2011, DEA has conducted ten National Take Back Days. Each take-back day has provided the public with thousands of sites nationwide to turn in their unwanted or expired prescription drugs safely and securely. On September 26, 2015, the most recent National Take Back Day, 350 tons of unused, expired, or unwanted drugs were collected from members of the public. As a result of all ten National Take Back Days, the DEA, in conjunction with its state, local and tribal law enforcement partners, has removed a total of 5,525,021 pounds of medications from circulation. The next National Take Back Day is scheduled for April 30, 2016.

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 is available 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 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 doctor shopping). TDSs also 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 Diversion Staff where law enforcement (LE) authority or activities are required (e.g., purchase of evidence/payment for 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 surreptitiously buy these substances which are analyzed and used to support DEA's temporary and permanent scheduling actions. As of the end of FY 2015, DEA has 68 fully operational TDSs throughout the United States, covering 41 states, Puerto Rico, and the District of Columbia. The process of establishing additional TDSs is ongoing.

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 reports.

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. DEA meets with distributors and provides an analysis of distribution data so that registrants get a better understanding of the requirements of the CSA and its implementing regulations. Under this approach, DEA is able to put a distributor on notice that its distribution practices could be contributing to the illegal distribution and dispensing of controlled substances. The DCP intends to continue its Distributor Initiative to help ensure that wholesale distributors comply with all aspects of the CSA and its implementing regulations.

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, the DCP successfully implemented the online versions of most of its applications and declarations for importing controlled substances and Listed Chemicals (DEA Form 161, 236 and 486). The online DEA Form 357 is now fully implemented. The online DEA Form 161R is in the process of being adjusted due to the passage of recent legislation that will require additional modifications to the form. It is anticipated that the changes to the form will be completed by the 3rd quarter of FY2016. The DCP has created a new online form which will allow DEA registrants to report the importation and exportation of tableting and encapsulating machines, which will also be launched in the 2nd Quarter of FY 2016. The online forms and developed databases will better support the International Trade Data System as mandated by Executive Order. The DCP is also enhancing its 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 provide 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, industry, 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.

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 (PDACs) give pharmacy personnel the tools they need to identify and respond to potential diversion activity. In FY 2013, the DCP hosted 18 such conferences in 8 states that convened 2,948 attendees. In FY 2014, the DCP conducted 16 PDACs in 8 states with 2,197 attendees. In FY 2015, the DCP conducted 14 PDACs in 7 states with 1,570 attendees. In the 1st Quarter of FY 2016, the DCP held two PDACs in Pittsburgh, PA which were attended by approximately 200 pharmacy employees total. The DCP plans to conduct an additional 18 PDACs in 10 states in FY 2016. Due to the increase in diversion and changes in diversion tactics, the DCP 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 based on the extensive problems these particular areas have with diversion and abuse of pharmaceutical controlled substances.

In addition, the Annual Distributor Conference provides an overview of federal laws and regulations that affect pharmaceutical and chemical distributors, such as recordkeeping, Automation of Reports and Consolidated Ordering System (ARCOS), and suspicious ordering reporting. The DCP hosted a two-day Distributor Conference on April 15-16, 2015 which was attended by approximately 212 industry partners. The conference topics include current drug trends, updates and reminders of registrant responsibilities and requirements, theft and loss, drug disposal, Medicare/Medicaid, corresponding responsibility, quota, and suspicious order reporting. On September 23 and 24, 2015, the Office of Diversion Control met with the agency's registered pharmaceutical manufacturers, importers, and exporters to discuss how they can prevent pharmaceutical diversion while minimizing the impact on legitimate commerce. This event was attended by approximately 300 individuals representing the DEA registrant community.

On March 12, 2015, the National Association of Boards of Pharmacy (NABP) released a consensus document, entitled "Stakeholders' Challenges and Red Flag Warning Signs Related to Prescribing and Dispensing Controlled Substances". DEA participated in the stakeholder discussions that resulted in this consensus document, which represents the medical, pharmacist, and supply chain spectrum highlighting the challenges and "red flag" warning signs related to prescribing and dispensing controlled substance prescriptions. The goal of the document is to provide health care practitioners with an understanding of their shared responsibility to ensure that all controlled substances are prescribed and dispensed for a legitimate medical purpose, as well as to provide guidance on which red flag warning signs warrant further scrutiny. Collaboration, communication, and broader efforts by the various entities in the controlled substance delivery chain will help prevent the diversion and misuse of controlled substances while ensuring access to the medications for patients who need them for legitimate reasons. In addition to the NABP, the following stakeholders formed the coalition which produced this document:

American Academy of Family Physicians	CVS Health
American College of Emergency Physicians	Healthcare Distribution Management Association
American Medical Association	National Association of Chain Drug Stores
American Osteopathic Association	National Community Pharmacists Association
American Pharmacists Association	Pharmaceutical Care Management Association
American Society of Anesthesiologists	Purdue Pharma LP
American Society of Health-System Pharmacists	Rite Aid
Cardinal Health	Walgreen Co

This committee continues to operate and at the April 2015 DEA-sponsored Distributor Conference, all Distributors were invited to become participants in the committee.

The Federation of State Medical Boards (FSMB) promotes excellence in medical practice, licensure, and regulation on behalf of 70 state medical and osteopathic Boards across the country in their protection of the public. The DEA and FSMB are currently working on developing strategies that will allow both organizations to work more effectively and jointly on indiscriminate prescriber investigations. The goal is to improve the administrative process required to take swift action against those that are a threat to the public health and welfare, and at the same time not jeopardize a criminal investigation. On April 24, 2015, the DCP staff

participated with an FSMB representative in two workshops at the FSMB Annual Conference in Ft. Worth, Texas.

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. The DCP regulatory activities also have an inherent deterrent function: 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 help 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, importers, exporters, bulk importers, and Narcotic Treatment Programs. In addition to the scheduled investigations, a separate investigation is conducted annually on all renewal or modified applications of all schedule I and II bulk manufacturers and all schedule I and II importers. Scheduled investigations for distributors and reverse distributors are conducted every two years. 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 Physicians, were increased from one such registrant per Diversion Group per year to all such registrants per Diversion Group every fifteen years. Scheduled investigation criteria for Researchers was expanded beyond simply complaint based to include two schedule I researchers plus two schedule II-V researchers per Diversion Group per year. Finally, investigative protocols for analytical laboratories, a business class previously exempted from scheduled investigations, were modified to include analytical laboratories affiliated with manufacturers being investigated every three years in tandem with the affiliated manufacturer's scheduled investigation.

In 2014, the DCP required that Field Divisions conduct Scheduled Investigations of their Division's Top 10 ARCOS-identified Retail, Mail Order, and/or Compounding pharmacies every year.

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. The DCP accomplishes this evaluation in many ways, including collecting and analyzing data, conducting diversion threat assessments, working with state medical and pharmacy boards, working with state and local law enforcement agencies, and developing intelligence. The recent proliferation of synthetic designer drugs (cannabinoids, cathinones, and phenethylamines) sold under the guise of “potpourri or incense” and “bath salts” and labeled “not for human consumption,” is of considerable concern and is sweeping across the United States. These stimulant/hallucinogen, depressant/hallucinogen, and hallucinogen-type drugs are predominantly 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 emerging synthetic drugs to help support DEA’s temporary and permanent scheduling actions. The DCP provides Purchase of Evidence funding to support scheduling actions of non-controlled synthetic drugs and other substances. During FY 2014 through the 4th Quarter of FY 2015, the DEA temporarily scheduled seven synthetic cannabinoids, ten synthetic cathinones, three phenethylamines, and one synthetic opioid upon the finding that these substances posed 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 (IFR) on Electronic Prescriptions for Controlled Substances (EPCS), effective June 1, 2010, enhances diversion control as a means to protect against fraudulent prescriptions and streamlines the record keeping process for pharmacies (75 FR 16236, March 31, 2010). This rule provides practitioners with the option to sign and transmit prescriptions for controlled substances electronically. Likewise, with this new rule, pharmacies are permitted to receive and archive electronic prescriptions. In FY 2012, DEA announced the first DEA-approved certification process for EPCS. Through December 31, 2015, DEA approved six (6) different certification processes. The DCP continues to develop and implement EPCS regulations.

The DCP is working towards finalizing the EPCS IFR and, to that end, sponsored a two-day meeting with state regulators on March 10 -11, 2015 in Arlington, Virginia, regarding expanding the use of EPCS.

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

Rescheduling of Hydrocodone Combination Products (HCPs) from Schedule III to Schedule II

On August 22, 2014, the DEA published a final rule rescheduling hydrocodone combination products (HCPs) to schedule II of the Controlled Substances Act. Schedule II controlled substances are substances that have a currently accepted medical use in the United States, but also have a high potential for abuse, and the abuse of which may lead to severe psychological or physical dependence. After considering the analysis and rescheduling recommendation of HHS and reviewing available data, the DEA found that HCPs meet the statutory definition of a schedule II controlled substance. Various drug abuse indicators for HCPs indicate that HCPs are widely diverted and abused at rates largely similar to that of oxycodone products (schedule II). The data indicate that HCPs have an abuse potential similar to schedule II opioid analgesics such as oxycodone and their abuse is associated with severe psychological or physical dependence. Abuse of HCPs is also associated with large numbers of individuals being admitted to addiction treatment centers. Individuals are taking these drugs in sufficient quantities to create a hazard to their health, and abuse of HCPs is associated with large numbers of deaths.

Final Rule on the Disposal of Controlled Substances

On September 9, 2014, the DEA published the final rule on the Disposal of Controlled Substances, implementing the Secure and Responsible Drug Disposal Act of 2010 (“Disposal Act”). The Disposal Act, in an effort to curtail prescription drug abuse, authorized the DEA to promulgate regulations that outline methods for ultimate users (patients and their household members) to dispose of their unused or unwanted pharmaceutical controlled substances. The Disposal Act also carved out a special exception for long-term-care facilities (LTCFs.) Prior to passage of the Disposal Act, the CSA did not address the disposal of pharmaceutical controlled substances by ultimate users. Before the Disposal Act, ultimate users who wanted to dispose of their unwanted pharmaceutical controlled substances had limited disposal options. The CSA only permitted ultimate users to destroy their pharmaceutical controlled substances themselves (e.g., by flushing or discarding), surrendering them to law enforcement, or seeking assistance from the DEA. These restrictions resulted in the accumulation of pharmaceutical controlled substances in household medicine cabinets that were available for abuse, misuse, diversion, and accidental ingestion.

The new rule provides the framework by which an ultimate user may transfer unwanted and unused pharmaceutical controlled substances to another person for the purpose of disposal. Additionally, this rule addresses the disposal of pharmaceutical controlled substances by LTCF residents by allowing LTCFs to dispose of their current and former residents’ pharmaceutical controlled substances by depositing them into collection receptacles. With these new regulations, patients now have expanded options to safely and responsibly dispose of their unused and unwanted, lawfully-possessed pharmaceutical controlled substances: through collection receptacles and mail-back packages. These regulations do not limit the ways that

ultimate users may dispose of their pharmaceutical controlled substances—the regulations expand upon the current methods.

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 Food and 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.

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V. Program Increases & Offsets by Item

Item Name: **Heroin Enforcement**

AG Targeted Priority Options: Protecting Americans from violent crime (Goal 2)

Strategic Goal: 2

Strategic Objective: 2.3

Budget Decision Unit(s): Domestic Enforcement

Organizational Program: Domestic Field Office

Program Increase: Positions 42 Agents 32 FTE 21 Dollars \$12,483,000

Description of Item

This request provides \$12,483,000 and 42 positions, including 32 special agents, to confront the recent spike in heroin abuse. DEA plays an important part in the U.S. government's drug control strategy that includes enforcement, treatment, and prevention. While there are complex issues affecting spikes in heroin use and overdoses, including prescription drug abuse, the vast majority of the supply is linked to the same significant poly-drug trafficking organizations responsible for other illicit drug threats. Additionally, drug trafficking has a proven linkage to gangs and other violent criminal organizations. Funding includes \$12,483,000 and 42 positions to create four new enforcement groups in DEA domestic field divisions reporting heroin as the highest drug threat. The additional enforcement groups will provide DEA with additional staff to respond to the heroin epidemic.

Justification

Heroin abuse and availability are increasing in many areas of the United States, with devastating effects including increasing overdose incidents and deaths. The threat posed by heroin in the United States is serious and has increased since 2007. In 2014, 10,574 Americans died from heroin-related overdoses, and between 2007 and 2014 the number of heroin-related deaths increased 341 percent⁴. Increased demand for, and use of, heroin is being driven by both increasing availability of heroin in the US market and by some controlled prescription drug (CPD) abusers using heroin. CPD abusers who begin using heroin do so chiefly because of price differences, but also because of availability. A recent study examined heroin-dependent individuals who started their use in each decade from the 1960s to the 2010s. The study found that most users in the 1960s started their opioid use with heroin; however, that steadily changed until the 2000s, when 75 percent of heroin-dependent users in the study reported starting their use with prescription opioids⁵.

⁴ National Center for Health Statistics at the Centers for Disease Control and Prevention. (December 2015). Retrieved from www.drugabuse.gov/related-topics/trends-statistics/overdose-death-rates

⁵ U.S. Department of Justice, Drug Enforcement Administration. (2015). National Drug Threat Assessment. Retrieved from www.dea.gov/docs/2015%20NDTA%20Report.pdf

Non-medical prescription opioid use, particularly by teens and young adults, can easily lead to heroin use. Some users of prescription opioids turn to heroin, a much cheaper alternative, which provides a similar “high” and keeps the drug seeker/abuser from experiencing painful withdrawal symptoms. 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 then turned to heroin. Drug trafficking organizations have responded to this trend. DEA intelligence reveals that heroin trafficking organizations are relocating to areas where non-medical use of prescription drugs is on the rise.

The heroin threat is particularly high in the Northeast and Midwest areas of the United States. The Organized Crime Drug Enforcement Task Force (OCDETF) regions with the largest number of respondents ranking heroin as the great threat were the Mid-Atlantic, Great Lakes, New England, and New York/New Jersey. Seven of the 21 domestic DEA Field Divisions (FD) ranked heroin as their number one drug threat in 2014 (Chicago, Detroit, New England, New Jersey, New York, Philadelphia, and Washington). According to the 2015 National Drug Threat Survey (NDTS), 38 percent of respondents nationwide reported heroin as the greatest drug threat in their area; more than for any other drug. This percentage has grown from 8 percent of respondents in 2007 to 38 percent in 2015.

Greater heroin availability is due to high levels of heroin production in Mexico and Mexican DTOs expanding into white powder heroin markets in the eastern and Midwest United States. The heroin market in the United States has been historically divided along the Mississippi River, with western markets using Mexican black tar and brown powder heroin, and eastern markets using white powder (previously Southeast and Southwest Asian, but over the past two decades almost exclusively South American) heroin. Heroin use in the United States is much more prevalent in the Northeast and Midwest areas, where white powder heroin is used. The largest, most lucrative heroin markets in the United States are the big white powder markets in major eastern cities: New York City and the surrounding metropolitan areas, Philadelphia, Chicago, Boston and its surrounding cities, Washington, D.C, and Baltimore. Mexican traffickers are expanding their operations to gain a larger share of these markets. Mexican organizations are now the most prominent wholesale-level heroin traffickers in the DEA Chicago, New Jersey, Philadelphia, and Washington Field Division (FD) areas of responsibility (AORs), and have greatly expanded their presence in the New York City area.

The increased role of Mexican traffickers is affecting heroin trafficking patterns. More heroin is entering the United States through the Southwest Border (SWB); consequently, the western states’ roles as heroin transit areas are increasingly significant. DEA and local law enforcement reporting from several western states indicates heroin is transiting those areas in greater volumes and in larger shipment sizes. For example, the DEA Los Angeles FD reports the median heroin seizure size increased from 26 grams in FY 2010 to a kilogram in FY 2014. An increasing number of shipments of Mexican black tar heroin have also been seized in Northeastern markets where black tar heroin is rarely seen. Nonetheless, black tar heroin seizures still comprise a very small percentage of the heroin seized in the Northeast. Finally, some Mexican trafficking organizations are moving their operations into suburban and rural areas where they believe they

can more easily conceal their activities, and law enforcement in those areas may not be accustomed to dealing with such organizations.

Preliminary data from the Heroin Signature Program and the Domestic Monitor Program for CY 2013 indicate that the majority of the heroin available in the United States is of Mexican or South American origin. Heroin from Southwest Asia is available in limited quantities and heroin originating from Southeast Asia is rarely encountered in the United States. Mexican DTOs traffic South American heroin into and through Mexico for further transport into the U.S. via the SWB. Mexican Drug Trafficking Organizations (DTOs) also play a role in the production and transportation of Mexican black tar and brown powder heroin. The vast majority of this heroin is destined for users in the United States.

In late 2013 and throughout 2014, several states reported spikes in overdose deaths due to fentanyl and acetyl-fentanyl. Fentanyl is much stronger than heroin and can cause even experienced users to overdose. There have been over 700 fentanyl-related overdose deaths reported, and the true number is most likely higher because many coroners' offices and state crime laboratories do not test for fentanyl or its analogs unless given a specific reason to do so. Most of the areas affected by the fentanyl overdoses are in the eastern United States, where white powder heroin is used. Fentanyl is most commonly added to white powder heroin to increase its potency or is sold disguised as white powder heroin substitute. While pharmaceutical fentanyl (from transdermal patches or lozenges) is sometimes diverted for abuse in the United States, this latest rash of overdose deaths is largely due to clandestinely-produced fentanyl, not diverted pharmaceutical fentanyl.

As DEA rises to meet current and emerging threats from drug trafficking and violent criminal organizations, it will continue to rely on the methods and models that have proven successful. For example, cooperation between federal, state, and local law enforcement partners will continue to be key to combating the kind of transnational organized crime the DEA faces daily when executing its law enforcement mission.

Heroin Enforcement - \$12,483,000 and 42 positions

DEA is requesting additional special agents and the associated support personnel and funding to address the increasing heroin threat to the United States and its citizens. The Office of National Drug Control Policy (ONDCP), the House and Senate Appropriations Committees, and federal, state, and local law enforcement have expressed concern about rising heroin use and overdose trends. In particular, in its FY 2015 report language, the House Appropriations Committee instructed DEA to enhance its investigative efforts to deal with the growing threats of prescription drug abuse and heroin use.

In response to these growing threats DEA's number of cases involving heroin has more than doubled since 2007. DEA has coordinated with state and local partners to provide services such as a Community of Interest site on the EPIC web portal specifically for the exchange of information related to heroin and to assist in the production of the National Heroin Threat Assessment (NHTA). The NHTA, released in April 2015, is a comprehensive strategic assessment of the many facets of the heroin threat. Additionally, DEA has established an

internal heroin working group which includes representatives from its Operations, Intelligence, and Diversion divisions as well as the DEA-led Special Operations Division.

In support of joint, bilateral initiatives, in FY 2014 and FY 2015, DEA and the Government of Mexico (GOM) addressed the emergence of heroin as a growing drug of abuse in the U.S., and the increase in heroin cultivation and production by Mexican DTOs. DEA and the GOM will also continue to target heroin production in Mexico in order to identify areas of cultivation, coordinate eradication efforts, and to seize and dismantle heroin production laboratories. DEA is also supporting the GOM in efforts to combat and suppress the escalating violence related to drug trafficking, specifically in the states of Guerrero, Tamaulipas, and Michoacán. The successful apprehension of significant high-level drug traffickers has resulted in dismantling some of the largest and most violent DTOs operating in Mexico. Despite these efforts, DEA will need additional resources to combat this threat.

DEA requests 42 positions (including 32 Special Agents and 4 Intelligence Analysts) and \$12,483,000 for increased heroin-related enforcement efforts nationwide. The 42 positions and \$9,406,000 in personnel funding will be used to establish four new enforcement groups to enhance efforts across the U.S. As mentioned above, according to the 2015 NHTA, heroin has been identified as the greatest illicit drug threat in seven of 21 domestic FDs.

The positions include 32 agents to staff the enforcement groups and four intelligence analysts, two program analysts, two investigative technology specialists, and two chemists to support the new groups. Chemist support for this initiative is critical, as the backlog of evidence awaiting analysis has reached historically high levels, and the two chemists requested will ensure that the anticipated increase in heroin seizures will not exacerbate the backlog problem. In addition, \$3.1 million would be made available to existing enforcement groups and task forces focusing on high-priority emerging trends. This additional operational funding would be used for travel, purchase of evidence and payment for information, and other investigative costs that allow DEA to identify, disrupt, and dismantle the drug trafficking organizations that pose the largest threats to U.S. communities.

The areas reporting the most significant issues with heroin in their regions are located in the Northeast, Mid-Atlantic, and Great Lakes regions of the United States. According to the 2015 NHTA, over the last several years, law enforcement has reported increases in the availability of heroin and the volume of heroin trafficking in New England. This is due, in part, to prescription opioid abusers using heroin because of price differences and availability. Law enforcement throughout the New England Region reports that prescription opioid abusers are using heroin due to a decline in availability and increase in price of oxycodone products. The New York City metropolitan area is the largest hub for heroin trafficking and distribution the United States, and has a high rate of heroin use and overdose deaths. In the Mid-Atlantic, 75 percent of 2015 NHTS respondents reported heroin as the greatest drug threat—more than any other region. The Great Lakes region has high heroin use levels, particularly near the region's two largest cities, Chicago and Detroit. The 2015 NHTA also reported more treatment admissions for heroin than for any other illicit drug in Illinois and Michigan.

DEA plans to enhance efforts in these regions using additional investigations similar to **Operation Green Treasure**. During Operation Green Treasure DEA, with the assistance of its domestic and international law enforcement partners, targeted a Mexican DTO responsible for trafficking large quantities of heroin into the United States, and the Colombian nationals responsible for laundering the illicit profits. Between June 2013 and July 2015, Operation Green Treasure resulted in the seizure of 147 kilograms of heroin and approximately \$49,000,000 in currency from traffickers operating in New York, Pennsylvania, Massachusetts, and Illinois.

Project Rolling Thunder, a DEA New York Field Division, SOD-directed investigation which began in 2014, aims to identify and target violent urban organized crime organizations trafficking heroin and other controlled substances, firearms, and illicit proceeds. This initiative, in partnership with local communities, federal, state and local law enforcement and prosecutors, illuminates the full spectrum of the criminal network, from the street level drug dealer, through the distribution chokepoint sources of supply, to the highest levels of the cartel leadership.

- Project Rolling Thunder targeted the activities of a New York-based Dominican heroin DTO responsible for bi-monthly shipments of heroin into the New York City area. SOD analysis and coordination with the field resulted in the interdiction of a 70kg heroin shipment on May 17, 2015, the arrest of three members of this organization, and the seizure of approximately \$2.1 million. SOD linked this seizure to an 11kg seizure of heroin in Ohio from a Sinaloa-based cell and identified a Mexico-based command and control target; a CPOT-linked heroin DTO responsible for producing approximately 70kgs of heroin/month.
- On April 28, 2015, the DEA Milwaukee District Office with federal, state, and local partners disrupted a violent crack cocaine and heroin trafficking organization responsible for distributing significant amounts of crack cocaine and heroin in Wisconsin.
- In June 2015, DEA's Chicago Division Office disrupted what intelligence sources believe to be the largest "open air" heroin market in Chicago responsible for generating an estimated \$2.5 million per year in revenue. The arrest of 42 gang members including those of high ranking thwarted several potential acts of violence and the seizure of firearms is expected to assist investigators in several homicide investigations attributed to the Traveling Vice Lord street gang.

The FY 2017 requested resources will allow DEA to execute additional operations like **Green Treasure** and the **Project Rolling Thunder** initiative that target the DTOs responsible for the increasing heroin issue in the United States.

Impact on Performance

According to the National Survey on Drug Use and Health (NSDUH), published September 2015, there were 914,000 people aged 12 years or older who reported heroin use in the past year. This estimate is higher than at any time during 2002 to 2013 and is also the largest percentage of heroin users of the total population since 2002.

DEA has responded to the rising heroin threat by increasing heroin-related enforcement efforts nationwide. The number of DEA cases involving heroin has increased steadily since 2007. During FY 2015, DEA opened over 2,300 heroin cases, an increase of 118 percent over the number opened in 2007. Additionally, heroin-related arrests increased 186 percent during that time. The additional enforcement groups will allow DEA to dedicate additional hours to the heroin epidemic.

Funding

Base Funding

FY 2015 Enacted				FY 2016 President's Budget				FY 2017 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
-	-	-	-	-	-	-	-	-	-	-	-

Personnel Cost Summary

Type of Position/Series	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2017 Request (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
PA (0343)	\$67	2	133	84	105
IRS (0132)	\$113	4	452	130	209
ITS (0391)	\$155	2	311	-10	125
CH (1302)	\$255	2	511	-158	105
SA (1811)	\$250	32	8,000	-26	2,365
Total Personnel		42	\$9,406	19	\$2,907

Non-Personnel Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2017 Request (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
Heroin Ops	-	-	3,077	-	-
Total Non-Personnel	-	-	\$3,077	-	-

Total Increase for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
Current Services	-	-	-	-	-	-	NA	NA
Increase	42	32	21	\$9,406	\$3,077	\$12,483	19	2,907
Grand Total	42	32	21	\$9,406	\$3,077	\$12,483	\$19	\$2,907

Affected Crosscuts

Drugs; Transnational DTOs; SWB

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Item Name: **Insider Threat & Cyber Security Support**

AG Targeted Priority Options: Protecting Americans from national security threats (Goal 1) & Protecting Americans from violent crime (Goal 2)
Strategic Goal: 1 & 2
Strategic Objective: 1.1 & 2.3
Budget Decision Unit(s): Domestic
Organizational Program: NC & IG

Program Increase: Positions: 11 Agents: 3 FTE: 6 Dollars \$7,561,000

Description of Item

This request directly supports the Attorney General’s FY 2017 funding priorities of “Protecting Americans from terrorism and other threats to national security” (Priority 1) and “Identify and pursue cyber threat actors” (Priority 2).

Cyber security has been identified as one of the most critical challenges facing federal agencies today. Protecting Information Technology (IT) systems and data is essential. Ensuring availability of critical infrastructures requires comprehensive planning, investment in resources, and the ability to respond to cyber incidents with appropriate remediation actions in a timely manner.

Insider threats exist for all organizations. U.S. Government organizations have made significant progress in sharing information with federal, state, local, and tribal partners in the post-9/11 era, making the country safer and protecting lives. In today’s technology driven environment, our adversaries’ tactics, techniques, and capabilities are sophisticated and more insiders have access to increased amounts of information. Therefore, consistency in addressing insider threats across the U.S. Government is an important factor. Without this consistency, efforts to detect threats at one organization can be nullified by the actions of a malicious insider at another organization without insider threat detection capabilities.

The goal of an Insider Threat program is to thwart, detect, and mitigate potential damage to national security and DEA by trusted insiders. DEA currently accomplishes this primarily through training and awareness. With additional resources DEA would be able to identify and evaluate suspicious, unauthorized, or anomalous activity, which may indicate intent to bypass or defeat security safeguards. The Insider Threat program also assists in ruling out suspicious or anomalous activities that appear to be attempts to degrade national security, but, in reality are not. The requested resources will allow DEA to comply with Executive Order 13587, which requires each Executive Branch agency with access to classified material to establish an Insider Threat program.

This initiative includes Insider Threat funding per the Office of the Director of National Intelligence (ODNI) Director Decision Document (DDD).

Justification

Insider Threat - \$4,321,000 and 11 positions

An Insider Threat program is required by Executive Order 13587 and Department of Justice Order 0901. The National Insider Threat Task Force (NITTF) recently assessed the Department of Justice's (DOJ) compliance with national Insider Threat Policy and Minimum Standards and its progress toward meeting Initial Operating Capability (IOC) and Full Operating Capability (FOC) to deter, detect, and mitigate insider threats. As part of the assessment, on January 28, 2015, NITTF reviewed DEA's insider threat capability. NITTF's draft report concluded DEA did not meet the minimum requirements for IOC and FOC and specifically stated,

“In the three years since the President signed Executive Order 13587 requiring each Executive Branch with access to classified material to establish an Insider Threat program, DEA has not put in place the basic program establishment elements. Absence of the minimum elements of a program within DEA leaves the Department vulnerable and DEA unable to fully implement proactive measures to deter, detect, and mitigate insider threats, as well as the responsible safeguarding of classified information, consistent with Executive Order 13587.”

In FY 2012, DEA received one-time funding from ODNI in support of initial operating capabilities. Subsequently, DEA has reviewed insider threat programs at DOJ, the Federal Bureau of Investigation (FBI), and United States Marshals Service (USMS), and analyzed the NITTF assessment of DEA's insider threat capability. From DEA's review of other programs, the NITTF assessment, and analysis of what is needed to implement and maintain a viable insider threat program that meets national standards, DEA divided the insider threat program concept into two parts: 1) technology, and 2) analysis, reporting, and training. The parts are distinctly different but complementary. Based on the programmatic needs, DEA proposes to divide the effort into two units. Due to the sensitive nature of identifying employee risks and the need for confidentiality of insider threat information, DEA has proposed placing the two units in a separate section. The breadth and depth of technology, analysis, reporting, and training tasks are significant and require adequate staffing to meet the standards and intent involved in an insider threat program. In FY 2017, non-personnel funding will be used to establish a base and to continue the development of insider threat detection and mitigation capabilities in accordance with the IC policy framework. Specifically, the funding will support:

- \$1,376,000 for Insider Threat Hub Hardware & Software enhancements. DEA does not have the full ability to perform detailed user activity monitoring; therefore additional auditing capabilities are needed to perform key-stroke monitoring, screen captures, file shadowing, and full application content. DEA is also required to implement long-term audit log retention capabilities to ensure user activity is retained for a minimum of 5 years online and 25 years offline.
- \$604,000 for annual software maintenance support to sustain existing infrastructure.
- \$393,000 for build-out costs associated with the insider threat work area. DEA's current insider threat capability is performed within the cybersecurity operations center. This

facility is best positioned to continue insider threat detection; however, the facility needs to be upgraded to Special Compartmented Information Facility (SCIF) standards.

- \$52,000 to obtain and conduct training for insider threat personnel. DEA must develop and implement a long-range training plan for employees that supports the insider threat program and for all general users with access to classified information.

In addition to the non-personnel funding, DEA requests 11 positions (including 3 SAs) and \$1,896,000 to create an Insider Threat section, which would be managed by a GS-15 SA.

The Analysis Unit will consist of 6 positions (including 2 SAs) and its function will be to:

- Correlate, analyze, and assess multiple information sources to detect DEA personnel risks to classified National Security Information (NSI) and protected and sensitive information, DEA personnel, operations, facilities, and resources.
- Report risk assessment conclusions in accordance with DEA processes and procedures.
- Document and preserve DEA personnel risk assessments in a case management system.
- Provide Insider Threat Awareness Training to the DEA work force.

The Technology Unit will consist of 4 positions and its function will be to:

- Create and maintain insider threat hub technologies to process and present multiple data sources for DEA personnel risk analysis.
- Obtain, integrate, and maintain internal and external data and information feeds as appropriate for DEA personnel risk assessments.
- Establish and maintain insider threat technologies documentation and service level agreements.
- Protect the confidentiality, integrity, and availability of DEA personnel information and information sources.
- Obtain and maintain the insider threat technology Authorities to Operate.

Cybersecurity - \$3,240,000

Currently, DEA does not perform continuous security monitoring. DEA monitors for cybersecurity threats five days per week from 10-12 hours per day maximum. One government employee and between six to eight contract employees monitor cybersecurity during weekday business hours. The requested funding will expand DEA's monitoring from the current 12x5 to a 24x7 operational posture. Government systems and data are vulnerable to malicious attacks without robust technical controls and countermeasures. An improved security posture will:

- (1) Help protect critical Government data and systems;
- (2) Increase system availability;
- (3) Reduce system recovery costs;
- (4) Assist in identifying attackers; and,
- (5) Help protect privacy data and other sensitive information.

DEA is requesting funding to build and sustain additional capability and capacity to monitor DEA's increasingly large and complex classified and sensitive information system resources from threats that could degrade DEA operations.

DEA must increase its capability to monitor the security health of its information system resources to support new federal and Department information assurance standards for continuous monitoring. Additionally, DEA must field a larger capacity to collect and monitor an increasing number of security logs generated by new and mobile technologies deployed by DEA IT offices. Quickly identifying data breaches and security incidents will become increasingly important to protect DEA operations. Specifically, the funding will support:

- \$2,300,000 for 14 24x7 support contractors to provide continuous cybersecurity monitoring of DEA information system resources in support of the DEA's worldwide mission.
- \$920,000 in support of Cybersecurity hardware and software to sustain capability and improve the capacity of the Cybersecurity Operations Response (CORE) operations (monitoring and responding to cybersecurity incidents).
- \$20,000 in support of Cybersecurity training to ensure staff meets annual professional training requirements including security fundamentals, response to cybersecurity incidents, log analysis and specialized software use training.

Impact on Performance

The NITTF's draft report listed numerous recommendations for DEA to address, of which the following have been completed: select a senior DEA insider threat official; adopt the DOJ Insider Threat policy or develop a DEA policy; and select and implement an Insider Threat model. The requested funding will assist in addressing the rest of their recommendations. In summary, they include:

Adopt or create documented policies and or procedures to:

- Ensure timely access and use of counterintelligence, security, information assurance, human resources, law enforcement, and other information indicative of potential insider threat (including access to counterintelligence reporting information and analytic products pertaining to adversarial threats).
- Collect, access, handle, analyze, and interpret insider threat data.
- Document each insider threat and response actions to clarify or resolve insider threat concerns in a timely manner.
- Protect insider threat records and user activity monitoring methods from unauthorized personnel and implement an independent oversight mechanism to ensure compliance with legal privacy and civil liberties protections.
- Implement DOJ guidelines and procedures, when published, for creating and retaining insider threat records and documents.
- Establish internal information reporting guidelines for counterintelligence, security, information assurance, human resources, and from other relevant organizational components directly to the insider threat program. If possible, automate this process.

- Ensure the Memorandum of Understanding with the Defense Information Systems Agency contains specific provisions for the collection and transmittal of user account monitoring data for DEA users on the DIS Gold Top Secret network.
- Provide DEA input for the DOJ annual report to the U.S. Attorney General documenting the status of DEA's insider threat program.

Develop or implement the following technical capabilities:

- Means to manually and or electronically gather, integrate, review, assess, and respond to information from counterintelligence, security, information assurance, human resources, law enforcement activities, and other information indicative of potential insider threats.
- Monitoring of user activity on all classified networks, to include portable devices to reach FOC.
- Grant access to all cleared DEA employees to the DOJ internal SharePoint site that offers insider threat reference material, or consider establishing a DEA network site for its employees to access relevant insider threat reference material.
- Provide a secure electronic means for employees to report insider threat matters directly to the DOJ Insider Threat Prevention and Detection Program, or create this capability independently for the DEA workforce.

Proctor training to:

- Ensure insider threat program personnel have the requisite training in counterintelligence security fundamentals, insider threat response actions, applicable laws and regulations including civil liberties and privacy laws, regulations, and policies, and investigative referral requirements.

Funding

Base Funding

FY 2015 Enacted				FY 2016 President's Budget				FY 2017 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
-	-	-	-	-	-	-	-	-	-	-	-

Personnel Cost Summary

Type of Position/Series	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2017 Request (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
SA (1811) – GS 15	\$332	1	332	61	1
SA (1811) – GS 14	\$312	2	624	83	1
ITS (0391) – GS 14	\$208	1	208	30	-
ITS (0391)	\$155	3	465	-15	187
PA (0343)	\$67	4	267	168	209
Total Personnel		11	\$1,896	\$327	\$398

Non-Personnel Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2017 Request (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
Software Maintenance Support	-	-	2,930	617	617
Hardware/Software Enhancements	-	-	2,296	1,118	1,118
Training	-	-	72	72	72
Buildout	-	-	394	-	-
Total Non- Personnel	-	-	\$5,665	\$1,807	\$1,807

Total Increase for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
Current Services	-	-	-	-	-	-	-	-
Increase	11	2	6	\$1,896	\$5,665	\$7,561	2,134	2,134
Grand Total	11	2	6	\$1,896	\$5,665	\$7,561	\$2,134	\$2,134

Affected Crosscuts

Drugs; Transnational DTOs; Cyber Crime; National Security; Counterterrorism

Item Name: **Diversion Control Program (DCP)**

AG Targeted Priority Options: Protecting Americans from violent crime (Goal 2)
Strategic Goal: 2
Strategic Objective: 2.3
Budget Decision Unit(s): Domestic Enforcement

Organizational Program: Office of Diversion Control (OD)

Program Increase: Positions 55 Agents 10 FTE 29 Dollars \$8,874,000

Description of Item

This request provides \$8,874,000 and 55 positions, including 10 special agents, to identify, target, disrupt, and dismantle the individuals and organizations responsible for the illicit manufacture and distribution of pharmaceutical controlled substances in violation of the Controlled Substances Act (CSA).

The 2015 National Drug Threat Assessment (NDTA) states the threat from controlled prescription drug (CPD) abuse is persistent and deaths involving CPDs outnumber those involving heroin and cocaine combined. The economic cost of nonmedical use of prescription opioids alone in the United States totals more than \$53 billion annually. Transnational Criminal Organizations (TCOs), street gangs, and other criminal groups, seeing the enormous profit potential in CPD diversion, have become increasingly involved in transporting and distributing CPDs. The number of drug overdose deaths, particularly from CPDs, has grown exponentially in the past decade and has surpassed motor vehicle crashes as the leading cause of injury death in the United States. Rogue pain management clinics (commonly referred to as pill mills) also contribute to the extensive availability of illicit pharmaceuticals in the United States. To combat pill mills and stem the flow of illicit substances, many states have established new pill mill legislation and prescription drug monitoring programs (PDMPs).

DEA's Diversion Control Program (DCP) is using all criminal and regulatory tools possible to identify, target, disrupt, and dismantle individuals and organizations responsible for the illicit manufacture and distribution of pharmaceutical controlled substances in violation of the CSA. The deployment of Tactical Diversion Squads (TDS) is DEA's primary method of criminal law enforcement in the Diversion Control Program. The recent expansion of the TDS program has resulted in 68 operational TDSs throughout the United States, covering 41 states, Puerto Rico, and the District of Columbia. These TDSs incorporate the enforcement, investigative, and regulatory skill sets of DEA Special Agents, Diversion Investigators, other federal law enforcement, and state and local Task Force Officers. The expansion of the TDS groups has enabled the Diversion Groups to concentrate on the regulatory aspects of the DCP.

DCP regulates over 1.58 million registrants, a population that continues to grow at a rate of between 2 and 2.5 percent per year, in order to effectively prevent, detect, and eliminate the diversion of controlled substances and listed chemicals into the illicit market while ensuring a sufficient supply of these substances for legitimate medical, scientific, research, and industrial

purposes. Historically, the DCP has been extremely successful in addressing the diversion of controlled pharmaceuticals and listed chemicals. The DEA has significantly increased the presence of TDSs throughout domestic divisions to address criminal investigations. The Office of Diversion Control has modified its regulatory work plan as an effective means to prevent diversion. However, to accomplish its mission, the DEA must have adequate core and support positions in its domestic offices. Without these enhancements the DEA cannot successfully keep pace with the needs of a growing registrant community, strengthen TDS presence where needed, and respond to new and emerging threats and diversion schemes.

Justification

Regulatory Support – 15 Diversion Investigators (DI) and \$2,069,000

The DEA is requesting 15 DI positions to establish new or enhance existing groups dedicated to performing the regulatory and compliance aspects of the DCP. A primary function of the DCP is to ensure registrants are in compliance with the safeguards inherent in the CSA. The DCP's regulatory activities also require DI's to conduct education and outreach to ensure understanding and compliance with the CSA and applicable policies and regulations. This proactive approach is designed to identify and prevent large scale diversion. Registrant compliance is determined primarily through the conduct of pre-registration, scheduled, and complaint investigations.

Due to the increase in prescription drug abuse as well as an increase in the production and use of chemicals that are harmful if abused, the DCP has changed the scheduled investigations for some registrant types and its drug and chemical scheduling initiatives as well as making other modifications in its control efforts which require an increase of personnel. While the total number of scheduled investigations is anticipated to decrease in FY 2016, the complexity of scheduled investigations and work hours required to perform the investigations will increase.

Tactical Diversion Squads – 40 positions and \$6,805,000

The DEA is requesting 40 positions (including 10 Special Agents and 13 DI positions) to solidify existing enforcement groups where local law enforcement personnel are limited and establish new groups in areas of significant pharmaceutical diversion. The DCP conducts criminal enforcement activities primarily through its TDS groups. TDSs are comprised of DEA SA and DI personnel 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 Diversion Groups and Staffs where law enforcement authority 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 by supporting the scheduling actions of these substances. TDS groups purchase these substances which are analyzed and used to support the

DEA's temporary scheduling actions. As of January 2016, DEA had 68 TDSs operating in 41 states, Puerto Rico, and the District of Columbia.

In order to accomplish its mission, the DEA must have adequate staffing levels in its domestic offices. Over the last several years, in order to meet these requirements, DEA non-diversion work force has been working on DCP cases, and DEA has been transferring those costs to the DCP. As an example, in FY 2014, 110 Special Agent Full-time Equivalents (FTE) were used from DEA's non-DCP work force towards DCP investigations. Without these enhancements the DEA cannot successfully keep pace with the needs of a growing registrant community, extend TDS presence where needed, and respond to new and emerging threats and diversion schemes.

Impact on Performance

Beginning in FY 2010, with the creation of TDSs 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 2013, the number of PTOs disrupted was 124 and the number of PTOs dismantled was 172. In FY 2014, the number of PTOs disrupted was 131 and the number of PTOs dismantled was 235. In FY 2015, DEA reported 185 PTOs disrupted and 248 PTOs dismantled or approximately 67 and 165 percent to FY 2015 target, respectively.

The DCP work plan included a decrease in the Number of Planned Scheduled Investigations Completed (Overall) in 2014 and 2015, due to a change in the classification protocols for scheduled investigations. While the frequency of investigations for certain classes of registrants (i.e. drug and chemical distributor registrants) increased, and the number of pharmacies subject to investigation were broadened, the frequency of investigations for other classes of registrants (i.e. DATA-waived practitioners) actually decreased. These changes were effective mid-FY 2014 and for all of FY 2015. Pursuant to the implementation of these new protocols, the number of scheduled investigations in FY 2015 was 4,151.

In FY 2014, DEA entered into several civil settlement agreements with registrants totaling nearly \$13,300,000. In FY 2015, civil settlement agreements with registrants totaled over \$71,000,000. The various regulatory investigations involved distributors, pharmacies, and practitioners who were found to be in violation of the Controlled Substances Act and its implementing regulations.

In September 2014, CVS agreed to pay \$1,912,500 million to the United States to settle civil penalty claims for recordkeeping violations under the Controlled Substances Act and related regulations that occurred in the Houston, TX area. A total of eight CVS pharmacies were filling prescriptions issued by a practitioner who was not licensed to practice medicine.

Funding

Base Funding

FY 2015 Enacted				FY 2016 President's Budget				FY 2017 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
1,497	291	1,454	\$366,680	1,497	291	1,454	\$371,514	1,597	341	1,554	\$373,788

Personnel Cost Summary

Type of Position/Series	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2017 Request (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
SA (1811)	\$250	10	2,520	-5	738
DI (0801)	\$138	28	3,836	346	1,464
IRS(132)	\$113	2	224	67	104
CH (1302)	\$255	7	1,785	-551	366
PA (0343)	\$67	5	335	212	261
TC (0318)	\$59	3	174	106	-
Total Personnel		55	\$8,874	\$175	\$2,933

Non-Personnel Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2017 Request (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
	-	-	-	-	-
Total Non-Personnel	-	-	-	-	-

Total Increase for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)
Current Services	1,597	341	1,456	\$199,731	\$174,057	\$373,788	NA	NA
Increase	55	10	29	\$8,874	-	8,874	175	2,933
Grand Total	1,652	351	1,485	\$208,605	\$174,079	\$382,662	\$197	\$2,933

Affected Crosscuts

Drugs

Item Name: **Program and/or Administrative Savings**

Strategic Goal: 1 and 2
Strategic Objective: 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 -\$12,172,000

Description of Item

Reductions to existing operations and support functions.

Justification

Program and administrative savings, such as those achieved through reducing the physical footprint, bulk purchases, and/or bundling investments will be realized in FY 2017.

Impact on Performance

Performance impact information is not yet available.

Funding

Base Funding

FY 2015 Enacted				FY 2016 Enacted				FY 2017 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
8,197	3,958	6,587	\$2,033,320	8,302	4,033	6,587	\$2,080,000	8,302	4,033	6,714	\$2,095,104

Non-Personnel Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2016 Request (\$000)	FY 2017 Net Annualization (change from 2016) (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)
Offset			-12,172	-	-
Total Non-Personnel			-\$12,172		-

Total Decrease for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2017 Net Annualization (change from 2016) (\$000)	FY 2018 Net Annualization (change from 2017) (\$000)
Current Services	8,302	4,033	6,587	\$1,050,792	\$1,044,312	\$2,095,104	-	-
Decrease	-	-	-	-	-\$12,172	\$-12,270	-	-
Grand Total	8,302	4,033	6,587	\$1,050,792	\$1,049,190	\$2,102,976	-	-