ANNUAL ACCOUNTING AND AUTHENTICATION OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE FISCAL YEAR 2011

U.S. Department of Justice
Office of the Inspector General
Audit Division

Report 12-11
January 2012
ANNUAL ACCOUNTING AND AUTHENTICATION OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE
FISCAL YEAR 2011

OFFICE OF THE INSPECTOR GENERAL
COMMENTARY AND SUMMARY

This report contains the attestation review reports of the U.S. Department of Justice’s Drug Enforcement Administration, Federal Bureau of Prisons, National Drug Intelligence Center, Office of Justice Programs, and Organized Crime Drug Enforcement Task Forces Program’s annual accounting and authentication of drug control funds and related performance for the fiscal year ended September 30, 2011. The Office of the Inspector General performed the attestation reviews. The report and annual detailed accounting of funds obligated by each drug control program agency is required by 21 U.S.C. §1704(d), as implemented by the Office of National Drug Control Policy Circular, Drug Control Accounting, dated May 1, 2007.

The Office of the Inspector General prepared the reports in accordance with attestation standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination and, therefore, does not result in the expression of an opinion. We reported that nothing came to our attention that caused us to believe the submissions were not presented, in all material respects, in accordance with the requirements of the Office of National Drug Control Policy Circular, and as otherwise agreed to with the Office of National Drug Control Policy.
ANNUAL ACCOUNTING AND AUTHENTICATION OF DRUG CONTROL FUNDS AND RELATED PERFORMANCE FISCAL YEAR 2011

TABLE OF CONTENTS

OFFICE OF THE INSPECTOR GENERAL’S REPORTS, COMPONENT DETAILED ACCOUNTING SUBMISSIONS, AND COMPONENT PERFORMANCE SUMMARY REPORTS

DRUG ENFORCEMENT ADMINISTRATION ......................................................... 3
FEDERAL BUREAU OF PRISONS ................................................................. 29
NATIONAL DRUG INTELLIGENCE CENTER .............................................. 45
OFFICE OF JUSTICE PROGRAMS ............................................................ 61
ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES PROGRAM ......................................................... 85
This page left intentionally blank.
This page left intentionally blank.
Office of the Inspector General’s Report on Annual Accounting and Authentication of Drug Control Funds and Related Performance

Administrator
Drug Enforcement Administration
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management’s Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management’s Assertion Statement and the related performance information, of the U.S. Department of Justice’s Drug Enforcement Administration (DEA) for the fiscal year ended September 30, 2011. The DEA’s management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the DEA prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2011, are not presented, in all material respects, in conformity with the ONDCP’s Circular,
Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of DEA management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Mark L. Hayes, CPA, CFE  
Director, Financial Statement Audit Office  
Office of the Inspector General  
U.S. Department of Justice

January 18, 2012
Drug Enforcement Administration
Detailed Accounting Submission
This page left intentionally blank.
On the basis of the Drug Enforcement Administration’s management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, *Drug Control Accounting*, dated May 1, 2007, we assert that the Drug Enforcement Administration system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from the Drug Enforcement Administration’s accounting system of record for these budget decision units.

2. The drug methodology used by the Drug Enforcement Administration to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.

3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.

4. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP’s approval for reprogrammings and transfers affecting drug-related resources in excess of $1 million.

5. Drug Enforcement Administration did not have any ONDCP Fund Control Notices issued in FY 2011.

Frank M. Kalder, Chief Financial Officer

Date

- 7 -
### U.S. Department of Justice
### Drug Enforcement Administration
### Detailed Accounting Submission
### Table of Drug Control Obligations
### For Fiscal Year Ended September 30, 2011
### (Dollars in Millions)

#### Drug Obligations by Budget Decision Unit and Function:

<table>
<thead>
<tr>
<th>Budget Decision Unit</th>
<th>FY 2011 Actual Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction</strong></td>
<td></td>
</tr>
<tr>
<td>Investigations</td>
<td>$ 0.106</td>
</tr>
<tr>
<td><strong>Total Construction</strong></td>
<td>$ 0.106</td>
</tr>
<tr>
<td><strong>Diversion Control Fee Account</strong></td>
<td></td>
</tr>
<tr>
<td>Investigations</td>
<td>$ 275.321</td>
</tr>
<tr>
<td>Intelligence</td>
<td>8.144</td>
</tr>
<tr>
<td>Prevention</td>
<td>0.037</td>
</tr>
<tr>
<td><strong>Total Diversion Control Fee Account</strong></td>
<td>$ 283.502</td>
</tr>
<tr>
<td><strong>Domestic Enforcement</strong></td>
<td></td>
</tr>
<tr>
<td>Intelligence</td>
<td>$ 180.606</td>
</tr>
<tr>
<td>Investigations</td>
<td>1,511.143</td>
</tr>
<tr>
<td>Prevention</td>
<td>2.145</td>
</tr>
<tr>
<td><strong>Total Domestic Enforcement</strong></td>
<td>$ 1,693.894</td>
</tr>
<tr>
<td><strong>International Enforcement</strong></td>
<td></td>
</tr>
<tr>
<td>Intelligence</td>
<td>$ 23.764</td>
</tr>
<tr>
<td>International</td>
<td>462.889</td>
</tr>
<tr>
<td><strong>Total International Enforcement</strong></td>
<td>$ 486.653</td>
</tr>
<tr>
<td><strong>State and Local Assistance</strong></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$ 12.867</td>
</tr>
<tr>
<td><strong>Total State and Local Assistance</strong></td>
<td>$ 12.867</td>
</tr>
<tr>
<td><strong>Total Drug Control Obligations</strong></td>
<td>$ 2,477.022</td>
</tr>
</tbody>
</table>

High-Intensity Drug Trafficking Area (HIDTA) Obligations

### Footnotes:
* Includes obligations of carryover unobligated balances
Disclosure 1: Drug Methodology

The mission of the Drug Enforcement Administration (DEA) is to enforce the controlled substances laws and regulations of the United States and to bring to the criminal and civil justice system of the United States or any other competent jurisdiction, those organizations, and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets. In carrying out its mission, the DEA is the lead agency responsible for the development of the overall Federal drug enforcement strategy, programs, planning, and evaluation. The DEA's primary responsibilities include:

- Investigation and preparation for prosecution of major violators of controlled substances laws operating at interstate and international levels;
- Management of a national drug intelligence system in cooperation with Federal, state, local, and foreign officials to collect, analyze, and disseminate strategic and operational drug intelligence information;
- Seizure and forfeiture of assets derived from, traceable to, or intended to be used for illicit drug trafficking;
- Enforcement of the provisions of the Controlled Substances Act and the Chemical Diversion and Trafficking Act (CDTA) as they pertain to the manufacture, distribution, and dispensing of legally produced controlled substances and chemicals;
- Coordination and cooperation with Federal, state and local law enforcement officials on mutual drug enforcement efforts and enhancement of such efforts through exploitation of potential interstate and international investigations beyond local or limited Federal jurisdictions and resources;
- Coordination and cooperation with other Federal, state, and local agencies, and with foreign governments, in programs designed to reduce the availability of illicit abuse-type drugs on the United States market through non-enforcement methods such as crop eradication, crop substitution, and training of foreign officials;
- Responsibility, under the policy guidance of the Secretary of State and U.S. Ambassadors, for all programs associated with drug law enforcement counterparts in foreign countries;
Liaison with the United Nations, Interpol, and other organizations on matters relating to international drug control programs; and

Supporting and augmenting U.S. efforts against terrorism by denying drug trafficking and/or money laundering routes to foreign terrorist organizations, as well as the use of illicit drugs as barter for munitions to support terrorism.

The accompanying Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007 and a September 3, 2008 updated memo showing function and decision unit. The table represents obligations incurred by the DEA for drug control purposes and reflects 100 percent of the DEA’s mission.

Since the DEA’s accounting system, the Unified Financial Management System (UFMS), does not track obligation and expenditure data by ONDCP’s drug functions, the DEA uses Managerial Cost Accounting (MCA), a methodology approved by ONDCP to allocate obligations tracked in DEA’s appropriated account/decision units to ONDCP’s drug functions.

Data: All accounting data for the DEA are maintained in UFMS. UFMS track obligation and expenditure data by a variety of attributes, including fund type, allowance center, decision unit and object class. UFMS was implemented in the first quarter of FY 2009. One hundred percent of the DEA’s efforts are related to drug enforcement.

Other Estimation Methods: None.

Financial Systems: UFMS is the information system the DEA uses to track obligations and expenditures. Obligations derived from this system can also be reconciled against enacted appropriations and carryover balances.

Managerial Cost Accounting: The DEA uses allocation percentages generated by MCA to allocate resources associated with the DEA’s three decision units to ONDCP’s drug functions. The MCA model using an activity-based costing methodology provides the full cost of the DEA’s mission outputs (performance costs). The table below shows the allocation percentages based on the DEA’s MCA data.

<table>
<thead>
<tr>
<th>The DEA Budget Decision Unit</th>
<th>Allocation</th>
<th>ONDCP Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Account</td>
<td>100.0%</td>
<td>Investigations</td>
</tr>
<tr>
<td>Diversion Control Fee Account</td>
<td>97.11%</td>
<td>Investigations</td>
</tr>
<tr>
<td></td>
<td>2.87%</td>
<td>Intelligence</td>
</tr>
<tr>
<td></td>
<td>0.01%</td>
<td>International</td>
</tr>
<tr>
<td>Domestic Enforcement</td>
<td>89.21%</td>
<td>Investigations</td>
</tr>
<tr>
<td></td>
<td>10.66%</td>
<td>Intelligence</td>
</tr>
<tr>
<td></td>
<td>0.13%</td>
<td>Prevention</td>
</tr>
<tr>
<td>International Enforcement</td>
<td>95.12%</td>
<td>International</td>
</tr>
<tr>
<td></td>
<td>4.88%</td>
<td>Intelligence</td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>100.00%</td>
<td>State and Local Assistance</td>
</tr>
</tbody>
</table>
The DEA’s financial system began recording obligations in the appropriated three decision units and the Diversion Control Fee Account in FY 2008.

**Decision Units:** One hundred percent of the DEA’s total obligations by decision unit were associated with drug enforcement. This total is reported and tracked in UFMS.

**Full Time Equivalents (FTE):** One hundred percent of the DEA FTEs are dedicated to drug enforcement efforts. The DEA’s Direct FTE total for FY 2011, including Salaries & Expenses (S&E) and Diversion Control Fee Account (DCFA) appropriations, was 9,804 through pay period 19, ending September 24, 2011.

**Transfers and Reimbursements:** High Intensity Drug Trafficking Area (HIDTA) transfers and reimbursable obligations are excluded from the DEA’s Table of Drug Control Obligations since they are reported by other sources.

**Disclosure 2: Methodology Modification**

The DEA’s method for tracking drug enforcement resources has not been modified from the method approved in FY 2005. The DEA uses current Managerial Cost Accounting (MCA) data to allocate FY 2011 obligations from three decision units to ONDCP’s drug functions.

**Disclosure 3: Material Weaknesses and Other Findings**

For the FY 2011 financial statement audit, DEA received an unqualified audit opinion with one significant deficiency related to the data retrieved from STRIDE to populate the Evidence footnote on the FY 2011 Financial Statements.

DEA concurs with this finding and has addressed the necessary corrective action. The information reported as of September 30, 2011 in the Notes to the Financial Statements is accurate and represents a disclosure with no financial impact. The resolution resulted in a recommendation of no additional action required for this matter on the NFR by auditors.

DEA has not received the signed audit opinion at this time. The distribution of the FY 2011 final audit report is expected January 2012 after the consolidated statements are completed and printed.

**Disclosure 4: Reprogrammings and Transfers**

There was no reprogramming in FY 2011.

The DEA had several transfers during FY 2011 (see the attached Table of FY 2011 Reprogrammings and Transfers). The DEA had 18 transfers into its S&E account - one transfer from the Department of Justice (DOJ), Community Oriented Policing Services (COPS) Meth funding in the amount of $8,283,400, six transfers from ONDCP’s High Intensity Drug Trafficking
Area (HIDTA) program totaling $15,456,391, one transfer from Department of State (DOS) for the Merida initiative in the amount of $1,000,000, four transfers for the Afghanistan initiative totaling $48,283,000, and six internal transfers from expired FY 2006/FY 2007/FY 2008/FY 2009 and FY 2010 S&E funds to DEA’s S&E No-Year fund totaling $60,551,634. Also, the DEA had 5 transfers out of its S&E account - two transfers to the Department of Justice’s Narrowband Communications Office totaling $1,632,689 and three transfers to DOJ’s Working Capital Fund totaling $360,798.

Transfers under the Drug Resources by Function section in the Table of FY 2011 Reprogramming and Transfers are based on the same MCA allocation percentages as the Table of Drug Control Obligations.
U.S. Department of Justice  
Drug Enforcement Administration  
Table of Reprogramming and Transfers  
For Fiscal Year Ended September 30, 2011  
(Dollars in Millions)

<table>
<thead>
<tr>
<th>Drug Resources by Account/Budget Decision Units and Function:</th>
<th>Reprogrammings</th>
<th>Transfers In</th>
<th>Transfers Out</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investigations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construction Account</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Diversion Control Fee Account</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investigations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Diversion Control Fee Account</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Domestic Enforcement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investigations</td>
<td>$ -</td>
<td>6.456</td>
<td>(6.669)</td>
<td>$ (0.213)</td>
</tr>
<tr>
<td>Intelligence</td>
<td>-</td>
<td>54.019</td>
<td>(55.797)</td>
<td>(1.778)</td>
</tr>
<tr>
<td>Prevention</td>
<td>-</td>
<td>0.077</td>
<td>(0.079)</td>
<td>(0.002)</td>
</tr>
<tr>
<td>Domestic Total</td>
<td>-</td>
<td>$ 60.552</td>
<td>$ (62.545)</td>
<td>(1.993)</td>
</tr>
<tr>
<td>International Enforcement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>-</td>
<td>2.407</td>
<td>0.000</td>
<td>2.407</td>
</tr>
<tr>
<td>Intelligence</td>
<td>-</td>
<td>46.876</td>
<td>0.000</td>
<td>46.876</td>
</tr>
<tr>
<td>Prevention</td>
<td>-</td>
<td>-</td>
<td>0.000</td>
<td>-</td>
</tr>
<tr>
<td>International Total</td>
<td>-</td>
<td>49.283</td>
<td>-</td>
<td>49.283</td>
</tr>
<tr>
<td>State &amp; Local Assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State &amp; Local Assistance</td>
<td>-</td>
<td>8.283</td>
<td>-</td>
<td>8.283</td>
</tr>
<tr>
<td>State &amp; Local Assistance Total</td>
<td>-</td>
<td>8.283</td>
<td>-</td>
<td>8.283</td>
</tr>
<tr>
<td>Total</td>
<td>$ -</td>
<td>$ 118.118</td>
<td>$ (62.545)</td>
<td>$ 55.573</td>
</tr>
<tr>
<td>HIDTA Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIDTA Transfers</td>
<td>15.456</td>
<td>-</td>
<td></td>
<td>15.456</td>
</tr>
</tbody>
</table>
This page left intentionally blank.
Drug Enforcement Administration
Performance Summary Report
This page left intentionally blank.
On the basis of the Drug Enforcement Administration’s management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, *Drug Control Accounting*, dated May 1, 2007, we assert that the Drug Enforcement Administration system of performance reporting provides reasonable assurance that:

1. Drug Enforcement Administration uses Priority Target Activity Resource Reporting System to capture performance information accurately and Priority Target Activity Resource Reporting System was properly applied to generate the performance data.

2. Drug Enforcement Administration met the reported performance targets for FY 2011.

3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.

4. Drug Enforcement Administration has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Frank M. Calder, Chief Financial Officer

Date
I. PERFORMANCE INFORMATION

Performance Measures

The Drug Enforcement Administration (DEA) is committed to bringing organizations involved in the growing, manufacturing, or distribution of controlled substances to the criminal and civil justice system of the U.S., or any other competent jurisdiction. To accomplish its mission, the DEA targets Priority Target Organizations (PTOs), which represent the major drug supply and money laundering organizations operating at the international, national, regional, and local levels that have a significant impact upon drug availability in the United States. Specifically, the DEA’s PTO Program focuses on dismantling 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. As entire drug trafficking networks from sources of supply to the distributors on the street are disrupted or dismantled, the availability of drugs within the United States will be reduced.

In its effort to target PTOs, the DEA is guided by key drug enforcement programs such as the Organized Crime Drug Enforcement Task Forces (OCDETF) program. The DEA, through the OCDETF program, targeted the drug trafficking organizations on the DOJ’s FY 2011 Consolidated Priority Organization Target (CPOT) list – the “Most Wanted” drug trafficking and money laundering organizations believed to be primarily responsible for the Nation’s illicit drug supply. The disruption or dismantlement of CPOT-linked organizations is primarily accomplished through multi-agency and multi-regional investigations directed by the DEA and the Federal Bureau of Investigation. These investigations focus on the development of intelligence-driven efforts to identify and target drug trafficking organizations that play a significant role in the production, transportation, distribution, and financial support of large scale drug trafficking operations. The DEA’s ultimate objective is to dismantle these organizations so that reestablishment of the same criminal organization is impossible.

Since the PTO Program is the DEA’s flagship initiative for meeting its enforcement goals, including the enforcement goals of DEA’s Diversion Control Program (DCP), the performance measures associated with this program are the most appropriate for assessing the DEA’s National Drug Control Program activities. The performance measures selected include the number of active international, domestic, and DCP-related priority targets linked to CPOT targets disrupted or dismantled and the number of active international, domestic, and DCP-related targets not linked to CPOT targets disrupted or dismantled. These are the same measures included in the National Drug Control Budget Summary. DEA’s resources are presented in the Table of Drug Control Obligations in the international and domestic enforcement decision units and Diversion Control Fee Account. Reimbursable resources from the OCDETF program contributed to these performance measures, but are not responsible for specifically identifiable performance.
In addition to the DCP’s enforcement activities, a large component of the DCP is regulatory in nature. Specifically, DEA’s DCP is responsible for enforcing the Controlled Substances Act (CSA) and its regulations pertaining to pharmaceutical controlled substances and listed chemicals. The DCP actively monitors more than 1.3 million individuals and companies that are registered with DEA to handle controlled substances or listed chemicals through a system of scheduling, quotas, recordkeeping, reporting, and security requirements. The DCP implements an infrastructure of controls established through the CSA and ancillary regulations. This system balances the protection of public health and safety by preventing the diversion of controlled substances and listed chemicals while ensuring an adequate and uninterrupted supply for legitimate needs. As a result of this regulatory component, an additional performance measure, the number of Administrative/Civil/Criminal Sanctions Imposed on Registrants/Applicants, is included in this report, which is indicative of the overall regulatory activities supported by the DCP.

A measure corresponding to the DEA’s state and local assistance decision unit was not included since most of the resources included in the DEA’s state and local assistance decision unit are reimbursable resources and the performance associated with the reimbursed activities is more accurately presented by the reimbursing agencies.

Data Validation and Verification

PTOs

PTOs identified by the DEA’s domestic field divisions and foreign country offices are tracked using the Priority Target Activity Resource Reporting System (PTARRS), an Oracle database used to track operational progress and the resources used in the related investigations (i.e., investigative work hours and direct case-related expenses). Through PTARRS, DEA assesses and links PTOs to drug trafficking networks, which address the entire continuum of the drug conspiracy. Once an investigation meets the criteria for a PTO, the investigation can be nominated as a PTO submission through PTARRS. PTARRS provides a means of electronically validating, verifying and approving PTOs through the chain of command, beginning with the case agent in the field and ending with the headquarters’ Operations Division. The roles in the electronic approval chain are as follows:

In the Field

- Special Agent – The Special Agent, Task Force Officer, or Diversion Investigator collects data on lead cases that will be proposed as PTOs. They can create, edit, update, and propose a PTO record.
- Group Supervisor – The Group Supervisor/Country Attaché coordinates and plans the allocation of resources for a proposed PTO. The Group Supervisor/Country Attaché can create, edit, update, propose, resubmit, and approve a PTO record.
- Assistant Special Agent in Charge – The Assistant Special Agent in Charge /Assistant Regional Director reviews the PTO proposed and approved by the Group Supervisor/Country Attaché, ensuring that all the necessary information meets the criteria...
for a PTO. The Assistant Special Agent in Charge /Assistant Regional Director can also edit, update, resubmit, or approve a proposed PTO.

- Special Agent in Charge – The Special Agent in Charge /Regional Director reviews the proposed PTO from the Assistant Special Agent in Charge /Assistant Regional Director and is the approving authority for the PTO. The Special Agent in Charge /Regional Director can also edit, update, resubmit, or approve a proposed PTO.

At Headquarters

- Operations Division (OC) – The Section Chief of the Data and Operational Accountability Section (OMD), or his designee, is the PTO Program Manager, and is responsible for the review of all newly approved PTO submissions and their assignment to the applicable Office of Global Enforcement (OG) or Office of Financial Operations (FO) section. The PTO Program Manager may request that incomplete submissions be returned to the field for correction and resubmission. OMD is also responsible for tracking and reporting information in the PTO Program through PTARRS; and is the main point-of-contact for the PTO program and PTARRS related questions.

- OMD will assign PTO’s based on the nexus of the investigation to organizations located in specific geographic areas of the world, or to specific program areas. After assignment of a PTO, the appointed HQ section becomes the point-of-contact for that PTO and division/region personnel should advise appropriate HQ section personnel of all significant activities or requests for funding during the course of the investigation. The Staff Coordinator (SC) assigned to the PTO will initiate a validation process to include a review for completeness and confirmation of all related linkages (e.g., CPOTs). In the unlikely event that the documentation submitted is insufficient to validate reported linkages, the SC will coordinate with the submitting office to obtain the required information.

- All PTO cases that are reported as disrupted or dismantled must be validated by OMD or the Organized Crime Drug Enforcement Task Force – OCDETF Section (OMO). OMD will validate all non-OCDETF related PTO cases and OMO will validate all OCDETF related cases. These disruptions and dismantlements are reported to the Executive Office of OCDETF via memo by OMO.

Administrative/Civil/Criminal Sanctions

The CSA Database (CSA2) is an Oracle database, which maintains all of the historical and investigative information on DEA registrants. It also serves as the final repository for punitive actions (i.e. sanctions) levied against CSA violators. During the reporting quarter, the domestic field divisions 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 division 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 Diversion Investigators and Group Supervisors/Diversion Program Managers are tasked to ensure that timely and accurate reporting is accomplished as the registrant’s investigative status changes. Group Supervisors/Diversion Program Managers 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.

**Targets Projection Methodology**

The DEA sets annual and long-term targets that are challenging, but realistic.

**PTOs**

In the first few years of the DEA's Priority Targeting Program, the DEA repeatedly exceeded its annual targets for PTO disruptions\(^1\) and dismantlements\(^2\). In response, the DEA refined its projection methodology by using regression analysis to determine the relative weight of many independent variables and their ability to forecast the number of PTOs disrupted and dismantled. Specifically, regression allows DEA to incorporate, test and evaluate a number of independent variables, including but not limited to arrests, investigative work hours, drug seizures, PTOs opened, and asset seizures. While the elements of the regression have changed over time with the elimination of less correlated variables and the addition of new more highly correlated variables, the disparity between actual performance and established targets has markedly decreased. Specifically, DEA’s overall FY 2011 actual PTO performance exceeded the established target by only .11%. This is a phenomenal result to date.

**Administrative/Civil/Criminal Sanctions**

Projections for the number of Administrative/Civil/Criminal Sanctions levied are derived using an MS Excel algorithm which compiles and computes a trend (usually linear) utilizing actual data from the preceding time periods (e.g., fiscal years) and predicts data estimates for subsequent fiscal years.

---

\(^1\) A disruption occurs when the normal and effective operation of a targeted organization is impeded, as indicated by changes in organizational leadership and/or changes in methods of operation, including financing, trafficking patterns, communications, or drug production.

\(^2\) A dismantlement occurs when the organization’s leadership, financial base, and supply network are destroyed, such that the organization is incapable of operating and/or reconstituting itself.
Measure 1: Number of Active International and Domestic PTOs Linked to CPOT Targets Disrupted or Dismantled

Table 1: Measure 1

<table>
<thead>
<tr>
<th></th>
<th>FY 2008 Actual</th>
<th>FY 2009 Actual</th>
<th>FY 2010 Actual</th>
<th>FY 2011 Actual</th>
<th>FY 2011 Target</th>
<th>FY 2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>336</td>
<td>361</td>
<td>500</td>
<td>529</td>
<td>460</td>
<td>440</td>
</tr>
</tbody>
</table>

As of September 30, 2011, the DEA disrupted or dismantled 529 PTOs linked to CPOT targets, which is 15 percent above its FY 2011 target of 460. When compared with FY 2010 actual performance (500 CPOT linked PTOs disrupted or dismantled), DEA’s FY 2011 performance represents a 6 percent increase. In the current budget environment, this performance is a testament to DEA’s commitment to DOJ’s CPOTs, which include the most significant international command and control organizations threatening the United States as identified by OCDETF member agencies. For FY 2012, DEA has established a target of 440 PTOs linked to CPOT targets based on our regression analysis and our budget resources.
As of September 30, 2011, the DEA disrupted or dismantled 2,155 PTOs not linked to CPOT targets, which is 2 percent above its FY 2011 target of 2,110. When compared with FY 2010 actual performance (1,921 PTOs disrupted or dismantled), DEA’s FY 2011 performance represents a 12 percent increase. Moreover, a comparison of the FY 2010 actual performance and the FY 2011 target demonstrates DEA’s willingness to both set ambitious targets and focus its limited resources toward achieving those goals. For FY 2012, DEA has established a target of 2,050 PTOs not linked to CPOT targets based on our regression analysis and our budget resources.
Measure 3: Number of DCP-related PTOs Disrupted/Dismantled

Table 3: Measure 3

<table>
<thead>
<tr>
<th>FY 2008 Actual</th>
<th>FY 2009 Actual</th>
<th>FY 2010 Actual</th>
<th>FY 2011 Actual</th>
<th>FY 2011 Target</th>
<th>FY 2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>196</td>
<td>224</td>
<td>262</td>
<td>346</td>
<td>290</td>
<td>325</td>
</tr>
</tbody>
</table>

Beginning in FY 2011, DEA reported its DCP PTOs separately under the Diversion Control Fee Account. As a participant in the PTO program, the DCP is required to report PTOs linked to CPOT and not linked to CPOT. However, with the nature of the DCP, CPOT linkages are a rare event. Beginning in FY 2010, with the creation of Tactical Diversion Squads (TDS) in every domestic field diversion, the DCP began focusing on the identification of PTOs and their eventual disruption and dismantlement. As the DCP continues to work to fully staff its TDS groups, PTO performance is expected to increase. In FY 2010, the number of PTOs disrupted was 156 and the number dismantled was 106. In FY 2011, the DCP disrupted 187 PTOs and dismantled 159 PTOs, which represents 4 percent and 45 percent above the ambitious FY 2011 targets of 180 disruptions and 110 dismantlements, respectively. As a result of DEA refining its methodology for identifying DCP PTOs during FY 2011, the actual disruptions and dismantlements exceeded the established targets significantly. When the FY 2011 targets were initially established, DEA only counted DCP PTOs were initiated by a diversion investigator. DEA now includes PTOs initiated by a special agent if the primary drug trafficked by the PTO is a drug type funded under the Diversion Control Fee Account. For FY 2012, the Diversion Control Fee Account has set a target of 325 PTOs linked and not linked to CPOTs based on regression analysis and budget resources.
Measure 4: Number of Administrative/Civil/Criminal Sanctions Imposed on Registrants/Applicants

Table 4: Measure 4

<table>
<thead>
<tr>
<th>FY 2008 Actual</th>
<th>FY 2009 Actual</th>
<th>FY 2010 Actual</th>
<th>FY 2011 Actual</th>
<th>FY 2011 Target</th>
<th>FY 2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,601</td>
<td>1,557</td>
<td>1,519</td>
<td>2,110</td>
<td>1,717</td>
<td>1,802</td>
</tr>
</tbody>
</table>

As of September 30, 2011, the DCP imposed 2,110 Administrative/Civil/Criminal Sanctions on its registrants/applicants, which is 23 percent above its FY 2011 target of 1,717. When compared with FY 2010 actual performance (1,519), DEA’s FY 2011 performance represents a 39 percent increase. For FY 2012, DCP’s target for Administrative/Civil/Criminal Sanctions is 1,802 based on MS Excel algorithm.
This page left intentionally blank.
FEDERAL BUREAU OF PRISONS
This page left intentionally blank.
We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management’s Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management’s Assertion Statement and the related performance information, of the U.S. Department of Justice’s Federal Bureau of Prisons (BOP) for the fiscal year ended September 30, 2011. The BOP’s management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the BOP prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2011, are not presented, in all material respects, in conformity with the ONDCP’s Circular,
Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of BOP management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 18, 2012
Federal Bureau of Prisons
Detailed Accounting Submission
This page left intentionally blank.
U.S. Department of Justice
Federal Bureau of Prisons
Detailed Accounting Submission
Management's Assertion Statement
For Fiscal Year Ended September 30, 2011

On the basis of the Federal Bureau of Prisons (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy's (ONDCP) Circular, *Drug Control Accounting*, dated May 1, 2007, we assert that the BOP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from the BOP's accounting system of record for these budget decision units.

2. The drug methodology used by the BOP to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.

3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.

4. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2011.

5. BOP did not have any ONDCP Fund Control Notices issued in FY 2011.

W.P. Darius, Jr.
Assistant Director
for Administration

1/18/2012
Date
Drug Obligations by Budget Decision Unit and Function:

<table>
<thead>
<tr>
<th>Decision Unit: Inmate Care and Programs</th>
<th>FY 2011 Actual Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treatment</td>
<td>$ 92.46</td>
</tr>
<tr>
<td>Total Inmate Care and Programs</td>
<td>$ 92.46</td>
</tr>
<tr>
<td>Total Drug Control Obligations</td>
<td>$ 92.46</td>
</tr>
</tbody>
</table>
Disclosure 1: Drug Methodology

The mission of the Federal Bureau of Prisons (BOP) is to protect society by confining offenders in the controlled environments of prisons and community-based facilities that are safe, humane, cost-efficient, appropriately secure, and which provide work and other self-improvement opportunities to assist offenders in becoming law-abiding citizens.

The BOP's drug resources are dedicated one hundred percent to the Drug Treatment Program. The Drug Treatment Program includes: Drug Program Screening and Assessment; Drug Abuse Education; Non-Residential Drug Abuse Treatment; Residential Drug Abuse Treatment; and Community Transitional Drug Abuse Treatment.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) circular, Drug Control Accounting, dated May 1, 2007. The table represents obligations incurred by the BOP for drug control purposes. The amounts are net of all reimbursable agreements. The BOP receives drug control funds solely for the purpose of drug treatment.

Data - All accounting information for the BOP is derived from the Department of Justice (DOJ) Financial Management Information System (FMIS2). FY 2011 actual obligations for Drug Treatment Programs are reported as Drug Control Obligations since the entire focus is drug related.

Financial Systems - The FMIS2 is the DOJ financial system that provides BOP obligation data. Obligations in this system can also be reconciled with the enacted appropriation and carryover balances.

Disclosure 2: Methodology Modifications

The overall methodology to calculate drug control obligations has not been changed from the prior year (FY 2010). Only direct obligations associated with Drug Treatment Programs in the Table of Drug Control Obligations are reported.
Disclosure 3: Material Weaknesses or Other Findings

There were no significant deficiencies or material weaknesses identified in the Independent Auditors' Report on Internal Control over Financial Reporting and no findings in the Independent Auditors' Report on Compliance and other Matters.

Disclosure 4: Reprogrammings or Transfers

There were no drug related reprogrammings or transfers during FY 2011.

Disclosure 5: Other Disclosures

The BOP allocates funds to the Public Health Service (PHS). The PHS provides a portion of the drug treatment for federal inmates. In FY 2011, $840,000 was allocated from the BOP to PHS, and was designated and expended for current year obligations of PHS staff salaries, benefits, and applicable relocation expenses relating to seven PHS FTEs related to drug treatment during FY 2011. Therefore, the allocated obligations were included in BOP's Table of Drug Control Obligations.
Federal Bureau of Prisons
Performance Summary Report
This page left intentionally blank.
U.S. Department of Justice
Federal Bureau of Prisons
Performance Summary Report
Management’s Assertion Statement
For Fiscal Year Ended September 30, 2011

On the basis of the Federal Bureau of Prisons (BOP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007, we assert that the BOP system of performance reporting provides reasonable assurance that:

1. BOP uses SENTRY to capture performance information accurately and SENTRY was properly applied to generate the performance data.

2. BOP met the reported performance target for FY 2011.

3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.

4. BOP has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations ($1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

W. E. Dalmus, Jr.
Assistant Director
for Administration

Date

1/18/2012
Performance Measures

The BOP has established a performance measurement of monitoring the utilization of residential drug treatment program capacity as a performance indicator to measure effective usage of Drug Treatment Programs. This measure complies with the purpose of National Drug Control Program activity.

The Violent Crime Control and Law Enforcement Act (VCCLEA) of 1994 requires the BOP to provide residential substance abuse treatment for 100% of "eligible" inmates by the end of FY 1997 and each year thereafter (subject to the availability of appropriations). The BOP established a performance measurement tracking the capacity of the Residential Drug Abuse Program (RDAP) to the number of participants at the end of each fiscal year. The objective is to monitor the utilization of RDAP capacity.

RDAP is offered at 60 BOP institutions and one contract facility. Inmates who participate in these residential programs are housed together in a treatment unit that is set apart from the general population. Treatment is provided for a minimum of 500 hours.

Current Year Performance Targets

Data on inmate capacity and participation is entered in the BOP on-line system (SENTRY). SENTRY and Key Indicator reports provide the counts of inmates participating in the RDAP and subject matter experts enter and analyze the data.

The BOP achieved a total capacity of 5,892 (capacity is based on number of treatment staff) that was available for the entire fiscal year and 5,989 actual participants (participants are actual inmates enrolled in the program at year end) thus exceeding the target level for FY 2011.

For FY 2012, the capacity of BOP's RDAP is projected to be 5,900 with total participants of 5,605.
Performance Measure 1: Fiscal year-end Residential Drug Abuse Treatment Program Capacity and Enrollment

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Capacity</th>
<th>Participants*</th>
<th>Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2007 Actual</td>
<td>6,066</td>
<td>5,892</td>
<td>97%</td>
</tr>
<tr>
<td>FY 2008 Actual</td>
<td>6,050</td>
<td>5,783</td>
<td>96%</td>
</tr>
<tr>
<td>FY 2009 Actual</td>
<td>6,050</td>
<td>5,815</td>
<td>96%</td>
</tr>
<tr>
<td>FY 2010 Actual</td>
<td>6,024</td>
<td>6,238</td>
<td>104%</td>
</tr>
<tr>
<td>FY 2011 Target</td>
<td>6,024</td>
<td>5,723</td>
<td>95%</td>
</tr>
<tr>
<td>FY 2011 Actual</td>
<td>5,892</td>
<td>5,989</td>
<td>102%</td>
</tr>
<tr>
<td>FY 2012 Target</td>
<td>5,900</td>
<td>5,605</td>
<td>95%</td>
</tr>
</tbody>
</table>

*Participants may exceed Capacity due to overcrowding and demand for the program.

Data Validation and Verification

To ensure the reliability of the data, the capacity of the program and the utilization rate is monitored by subject matter experts at the end of each quarter using Key Indicator reports generated from SENTRY.
This page left intentionally blank.
This page left intentionally blank.
Office of the Inspector General’s Report on
Annual Accounting and Authentication of
Drug Control Funds and Related Performance

Director
National Drug Intelligence Center
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management’s Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management’s Assertion Statement and the related performance information, of the U.S. Department of Justice’s National Drug Intelligence Center (NDIC) for the fiscal year ended September 30, 2011. The NDIC’s management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the NDIC prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2011, are not presented, in all material respects, in conformity with the ONDCP’s Circular,
Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of NDIC management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 18, 2012
National Drug Intelligence Center
Detailed Accounting Submission
This page left intentionally blank.
U.S. Department of Justice  
National Drug Intelligence Center  
Detailed Accounting Submission  
Management’s Assertion Statement  
For Fiscal Year Ended September 30, 2011

On the basis of the National Drug Intelligence Center (NDIC) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007, we assert that the NDIC system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from the NDIC’s accounting system of record for these budget decision units.

2. The drug methodology used by the NDIC to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.

3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.

4. The data presented are associated with obligations against a financial plan that did not require revision for reprogrammings or transfers during FY 2011.

5. NDIC did not have any ONDCP Fund Control Notices issued in FY 2011.

David J. Mrozowski, Assistant Director  
Date  
1-18-12
U.S. Department of Justice  
National Drug Intelligence Center  
Detailed Accounting Submission  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2011  
(Dollars in Millions)

<table>
<thead>
<tr>
<th>Drug Obligations by Budget Decision Unit and Function:</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Drug Intelligence Center Salaries and Expenses</td>
<td></td>
</tr>
<tr>
<td>Intelligence</td>
<td>$33.66</td>
</tr>
<tr>
<td>Total, NDIC Salaries and Expenses</td>
<td>$33.66</td>
</tr>
<tr>
<td>Total Drug Control Obligations</td>
<td>$33.66</td>
</tr>
</tbody>
</table>
Disclosure No 1. Drug Methodology

NDIC’s mission is to provide drug-related intelligence support to the drug control, public health, law enforcement, and intelligence communities of the United States in order to reduce the adverse effects of drug trafficking, drug abuse, and other drug-related criminal activity.

NDIC’s drug resources are dedicated to the Intelligence function. This includes strategic intelligence, document and media exploitation, and external training.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) circular, Drug Control Accounting, dated May 1, 2007. The table represents obligations incurred by NDIC for drug control purposes. The amounts are net all reimbursable agreements. NDIC receives drug control funds solely for the purpose of Intelligence.

**Data** – All accounting information for the NDIC is derived from DOJ’s Financial Management Information System (FMIS) 2. FY 2011 actual obligations for Intelligence function are reported as Drug Control Obligations since the entire focus is drug related.

**Financial Systems** – FMIS2 is DOJ’s financial system that provides NDIC with obligation data. Obligations in this system can also be reconciled with the enacted appropriation.

Disclosure No. 2 Methodology Modifications

In FY 2011 there were no changes to the drug methodology from prior years.

Disclosure No. 3 Material Weaknesses or Other Findings

The annual assurance statement required by the Federal Managers’ Financial Integrity Act (FMFIA) concludes that the DOJ Offices, Boards and Divisions can provide reasonable assurance that its systems of management, accounting, and administrative controls, taken as a whole, substantially comply with the FMFIA and with the component requirements of the Federal Financial Management Improvement Act.

Disclosure No. 4 Reprogrammings or Transfers

NDIC did not have any reprogrammings or transfers in FY 2011.
This page left intentionally blank.
National Drug Intelligence Center
Performance Summary Report
This page left intentionally blank.
U.S. Department of Justice  
National Drug Intelligence Center  
Performance Summary Report  
Management’s Assertion Statement  
For Fiscal Year Ended September 30, 2011

On the basis of the National Drug Intelligence Center (NDIC) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, *Drug Control Accounting*, dated May 1, 2007, we assert that the NDIC system of performance reporting provides reasonable assurance that:

1. NDIC uses DOJ’s Justice Planning and Performance Reporting System (JPFR) to capture performance information accurately, and JPFR was properly applied to generate the performance data.

2. NDIC met the reported performance targets for FY 2011.

3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.

4. NDIC has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations ($1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

David J. Mrozowski, Assistant Director  
1-18-12  
Date
Performance Measures

The NDIC has established a performance measure depicting the percentage of Document and Media Exploitation (DOMEX) missions that support DOJ Strategic Goal 2: Prevent Crime, Enforce Federal Laws, and Represent the Rights and Interests of the American People. This measure complies with the purpose of the National Drug Control Program activity.

The NDIC DOMEX program provides timely support to the law enforcement and intelligence communities by conducting document and media exploitation of materials seized in federal, state, and local law enforcement investigations involving illicit drugs, terrorism, and other crimes that impact national security. DOMEX analysts review and analyze large amounts of data from both paper and electronic evidence and complete their analysis usually within a one to two-week timeframe. Prior to conducting a DOMEX mission, NDIC analysts meet with the customer to assess the extent of the evidentiary holdings and identify priority intelligence requirements. When performing a mission, Information Technology Specialists from the NDIC Digital Evidence Laboratory extract pertinent data from captured electronic media such as computer hard drives, portable drives, and cellular phones while DOMEX analysts exploit key information from seized hardcopy evidence. The extracted and exploited data is entered into the Real-time Analytical Intelligence Database (RAID), an in-house developed relational database, which organizes the information and facilitates in-depth analysis. This methodology allows analysts to quickly identify leads for investigators and prosecutors including those pertaining to coconspirators, associates, assets, and evidence of criminal activity.

DOMEX analysts provide investigators and prosecutors with a range of products and support. At the conclusion of each mission, NDIC DOMEX produces an Intelligence Support Report (ISR) containing actionable findings and investigative leads that promote effective intelligence-driven investigations. Analysts also develop graphics using computer-assisted analyses. Examples include link charts, matrices, timelines, and graphics depicting geospatial analysis. This support sometimes enables prosecutors to secure guilty pleas from defendants prior to trial. For cases that go to trial, DOMEX often provides graphics such as those previously described as well as expert testimony by an NDIC analyst involved with the case. These actions significantly strengthen investigations and increase the likelihood of successful prosecutions.

Current Year Performance Targets

NDIC has worked diligently to support Department priorities while contending with a $10 million budget reduction in FY 2011 and an additional $14 million reduction in FY 2012. Despite these cuts, NDIC DOMEX has managed to preserve mission critical tools to support investigations and prosecutions. The NDIC Intelligence Production Policy outlines the Center’s DOMEX mission prioritization and approval processes ensuring NDIC DOMEX missions
predominately support high-level DOJ cases, primarily OCDETF cases. In FY2012, the NDIC will increase its fiscal year target percentage of missions that support DOJ strategic goals and objectives from 90 percent to 95 percent and expects to complete at least 135 such missions during the fiscal year.

Performance Measure 1: Percentage of DOMEX Missions that Support DOJ's Strategic Goals and Objectives

The NDIC DOMEX program has had an instrumental impact by assisting in the efficient investigation and successful prosecution of high-level targets involved in drug trafficking, money laundering, terrorism, and other criminal activities that threaten U.S. national security. During FY 2011, NDIC completed 142 missions, all of which supported DOJ strategic goals and objectives. Further, 118 of the 142 missions completed during FY 2011 supported OCDETF investigations, illustrating the priority NDIC places on such investigations. The remaining missions were conducted on behalf of the Drug Enforcement Administration; Federal Bureau of Investigation; Bureau of Alcohol, Tobacco, Firearms & Explosives; U.S. Attorney’s Offices; U.S. Immigration and Customs Enforcement; Defense Criminal Investigative Service; and other entities.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Completed DOMEX Missions</th>
<th>Number of Missions that Support DOJ Strategic Goals</th>
<th>Percentage of Missions that Support DOJ Strategic Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Fiscal Year Target</td>
</tr>
<tr>
<td>FY2011</td>
<td>142</td>
<td>142</td>
<td>90%</td>
</tr>
<tr>
<td>FY2012</td>
<td></td>
<td></td>
<td>95%</td>
</tr>
</tbody>
</table>

Note: The NDIC implemented this performance measure in FY2011 and continues to improve its performance target methodologies. As appropriate, the NDIC will implement changes to improve performance and performance measurement of the DOMEX function. Because this measure was not reported or tracked prior to FY 2011, no performance information prior to FY 2011 is available.

Data Validation and Verification

The NDIC records detailed information on the specifics of DOMEX missions and compiles and reports this data quarterly. Missions are reviewed against the DOJ Strategic Plan to determine the strategic goals and objectives they support. This information is tallied and compared against total missions performed to derive the percentage of missions supporting DOJ strategic goals and objectives. The data and calculations are reviewed and validated by DOMEX managers and budget personnel then entered into DOJ’s JPPR system each quarter for external dissemination through the DOJ Quarterly Status Report.
OFFICE OF JUSTICE PROGRAMS
This page left intentionally blank.
Office of the Inspector General’s Report on
Annual Accounting and Authentication of
Drug Control Funds and Related Performance

Assistant Attorney General
Office of Justice Programs
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management’s Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management’s Assertion Statement and the related performance information, of the U.S. Department of Justice’s Office of Justice Programs (OJP) for the fiscal year ended September 30, 2011. OJP’s management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of OJP prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2011, are not presented, in all material respects, in conformity with the ONDCP’s Circular,
Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of OJP management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 18, 2012
Office of Justice Programs
Detailed Accounting Submission
This page left intentionally blank.
On the basis of the Office of Justice Programs (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, *Drug Control Accounting*, dated May 1, 2007, we assert that the OJP system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision units are the actual obligations from OJP’s accounting system of record for these budget decision units.

2. The drug methodology used by OJP to calculate obligations of budgetary resources by function is reasonable and accurate in all material aspects.

3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.

4. The data presented are associated with obligations against a financial plan that was revised during the fiscal year (FY) to properly reflect the changes, including ONDCP’s approval for reprogrammings and transfers affecting drug-related resources in excess of $1 million.

5. OJP did not have any ONDCP Fund Control Notices issued in FY 2011.

Leigh Benda, Chief Financial Officer  
OJP Official Responsible for Assertion  

01/18/12  
Date
<table>
<thead>
<tr>
<th>Drug Obligations by Budget Decision Unit and Function:</th>
<th>FY 2011</th>
<th>Actual Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Information Sharing System</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>44.45</td>
</tr>
<tr>
<td>Total, Regional Information Sharing System</td>
<td>$</td>
<td>44.45</td>
</tr>
<tr>
<td>Enforcing Underage Drinking Laws</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prevention</td>
<td>$</td>
<td>21.09</td>
</tr>
<tr>
<td>Total, Enforcing Underage Drinking Laws</td>
<td>$</td>
<td>21.09</td>
</tr>
<tr>
<td>Drug Court Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>37.95</td>
</tr>
<tr>
<td>Total, Drug Court Program</td>
<td>$</td>
<td>37.95</td>
</tr>
<tr>
<td>Residential Substance Abuse Treatment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treatment</td>
<td>$</td>
<td>24.60</td>
</tr>
<tr>
<td>Total, Residential Substance Abuse Treatment</td>
<td>$</td>
<td>24.60</td>
</tr>
<tr>
<td>Prescription Drug Monitoring Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>6.20</td>
</tr>
<tr>
<td>Total, Prescription Drug Monitoring Program</td>
<td>$</td>
<td>6.20</td>
</tr>
<tr>
<td>Southwest Border Prosecution Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>25.19</td>
</tr>
<tr>
<td>Total, Southwest Border Prosecution Program</td>
<td>$</td>
<td>25.19</td>
</tr>
<tr>
<td>Northern Border Prosecution Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>2.35</td>
</tr>
<tr>
<td>Total, Northern Border Prosecution Program</td>
<td>$</td>
<td>2.35</td>
</tr>
<tr>
<td>Second Chance Act Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>38.19</td>
</tr>
<tr>
<td>Total, Second Chance Act Program</td>
<td>$</td>
<td>38.19</td>
</tr>
<tr>
<td>Byrne Criminal Justice Innovation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>$</td>
<td>5.25</td>
</tr>
<tr>
<td>Total, Byrne Criminal Justice Innovation</td>
<td>$</td>
<td>5.25</td>
</tr>
<tr>
<td>Total Drug Control Obligations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>205.27</td>
</tr>
</tbody>
</table>

1/ Program obligations reflect direct program obligations plus estimated indirect support management and administrative costs. Therefore, obligations reflected above may exceed the budget authority shown on the Re programming and Transfer Schedule.

2/ Actual obligations reported for the Second Chance Act Program reflect only 50% of total obligations for this decision unit, as directed by the Office of Management and Budget and Office of National Drug Control Policy.

3/ In FY 2011, OJP made funds available for the Byrne Criminal Justice Innovation Program via a $5.0 million reprogramming from various sources of prior-year discretionary funds.

4/ Funding for the Methamphetamine Enforcement and Lab Cleanup Program is transferred from the Office of Community Oriented Policing Services (COPS) to the Drug Enforcement Administration for program administration; therefore, obligations are not tracked by the Office of Justice Programs (OJP). FY 2011 total obligations for the program were reported to OJP by the COPS budget office. See Dashboard 1 for additional information.
Disclosure 1: Drug Methodology

The mission of the Office of Justice Programs (OJP) is to provide federal leadership in developing the Nation's capacity to prevent and control crime, administer justice, and assist crime victims. As such, OJP's resources are primarily targeted to providing assistance to state, local, and tribal governments. In executing its mission, OJP dedicates a significant level of resources to drug-related program activities, which focus on breaking the cycle of drug abuse and crime including: drug testing and treatment, provision of graduated sanctions, drug prevention and education, and research and statistics.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007 and ONDCP's memorandum, Current Budget Issues, dated September 3, 2008.

OJP’s Office of the Chief Financial Officer, Budget Formulation, Liaison, Planning and Performance Division is responsible for the development and presentation of the annual OJP ONDCP Budget. OJP’s fiscal year (FY) 2011 drug obligations have a total of 12 decision units identified for the National Drug Control Budget. Of the 12 decision units identified, nine are reflected in the Table of Drug Control Obligations. Two OJP programs, the Weed and Seed Program and Drug Prevention Demonstration Program, reported no obligations in FY 2011 and therefore, do not appear on the Table of Drug Control Obligations. Further, ONDCP requires OJP to report on the Methamphetamine Enforcement and Lab Cleanup Program, which is appropriated to the Office of Community Oriented Policing Services (COPS), an office within the Department of Justice’s (DOJ’s) Offices, Boards and Divisions (OBDs), and transferred to the Drug Enforcement Administration (DEA) for administration. As the obligations related to the COPS program are reported in the financial statements of the OBDs, they are not included in the FY 2011 actual obligations total on OJP’s Table of Drug Control Obligations. Decision units include the following:

- Regional Information Sharing System
- Enforcing Underage Drinking Laws
- Drug Court Program
- Residential Substance Abuse Treatment Program
- Prescription Drug Monitoring Program
- Southwest Border Prosecution Initiative
- Northern Border Prosecution Initiative
- Second Chance Act Program
- Weed and Seed Program
• Drug Prevention Demonstration Program
• Byrne Criminal Justice Criminal Innovation Program
• Methamphetamine Enforcement and Lab Cleanup (COPS Program)

In determining the level of resources used in support of the nine budget decision units (excluding Drug Prevention Demonstration Program, Weed and Seed, and Methamphetamine Enforcement and Lab Cleanup), OJP used the following methodology:

**Drug Program Obligations by Decision Unit:** Data on obligations, as of September 30, 2011, were gathered from DOJ’s Financial Management Information System 2 (FMIS2). The total obligations presented for OJP are net of funds obligated under the Crime Victims Fund and Public Safety Officers’ Benefit Program.

**Salaries and Expenses Data.** Salaries and Expenses (S&E) obligations were gathered from OJP’s FMIS2. The obligation amounts were allocated by applying the relative percentage of Full-Time Equivalent (FTE) assigned to nine drug-related decision units to total S&E obligations for OJP. There were no S&E obligations associated with the Weed and Seed Program nor the Drug Prevention Demonstration Program, as these programs did not have any actual obligations; and the Methamphetamine Enforcement and Lab Cleanup, as this program is not administered by OJP.

Overall, OJP program activities support all four goals of the National Drug Control Strategy: (1) Substance Abuse Prevention, (2) Substance Abuse Treatment, (3) Domestic Law Enforcement; and (4) Interdiction and International Counterdrug Support. Functionally, OJP program activities fall under the following functions: prevention, state and local assistance, and treatment. To determine the function amount, OJP used an allocation method that was derived from an analysis of each program’s mission and by surveying program officials. OJP then applied that allocation percentage to each decision unit line item. The Table of Drug Control Obligations shows FY 2011 obligations for nine programs, categorized by function and decision unit, which are reported by OJP. Two programs, the Weed and Seed Program and the Drug Prevention Demonstration Program, did not have any actual obligations in FY 2011, and are therefore, not included in the Table of Drug Control Obligations.

For the Table of Drug Control Obligations, amounts were calculated as follows:

**Function:** The appropriate drug-related percentage was applied to each program/decision unit line item and totaled by function.

---

1 In FY 2010, while there were prior year unobligated balances, in FY 2011, there were no actual obligations for neither the Weed and Seed Program, nor the Drug Prevention Demonstration Program. As such, these programs are not listed on OJP’s Table of Drug Control Obligations.

2 In FY 2011, OJP made funds available for the Byrne Criminal Justice Innovation Program via a $5.0 million reprogramming from various sources of prior-year discretionary funds.
Decision Unit: In accordance with the ONDCP circulars, 100 percent of the actual obligations for eight of the nine budget decision units are included, with the exception of the Second Chance Act Program. Fifty percent of the actual obligations for the Second Chance Act Program are reflected for this decision unit, as agreed to by ONDCP.

Full-Time Equivalent: FTE data originates from the U.S. Department of Agriculture’s National Finance Center, and is obtained by OJP through the DOJ, Justice Management Division Data Center. The same percentage that is applied to calculate FTE, was also applied to the S&E obligations.

Disclosure 2: Methodology Modifications

As specified in the ONDCP Circular, Budget Formulation, dated May 1, 2007, in FY 2011, OJP is reporting 100 percent of the actual obligations related to eight of the nine budget decision units included in the National Drug Control Budget, with the exception of the Second Chance Act. In April 2009, it was determined after discussions between ONDCP and the Office of Management and Budget (OMB) that some of the activities under the Second Chance Act Program were deemed drug-related in nature; therefore, beginning in FY 2009, OJP would report 30 percent of the obligations associated with this decision unit in the Table of Drug Control Obligations. In FY 2011, per OMB and ONDCP, the percentage reported for the Second Chance Act for drug-related activities increased from 30 percent to 50 percent.

Disclosure 3: Material Weaknesses and Other Findings

Neither OJP nor the financial statement auditors found material weaknesses, significant deficiencies, or matters of non-compliance for financial reporting in FY 2011.

Disclosure 4: Reprogrammings or Transfers

In accordance with the ONDCP’s Circular, Drug Control Accounting, dated May 1, 2007, see the attached Reprogrammings and Transfers Schedule. In FY 2011, OJP made $5.5 million in reprogrammings, and $6.7 million in drug-related transfers-in. The reprogramming amount reflects reallocations of funding from the decision units to the Salaries and Expenses account. The transfers-in amount reflects OJP’s FY 2011 recoveries associated with the reported decision units. In addition, in FY 2011, OJP made $5.0 million available to the Byrne Criminal Justice Innovation Program via a reprogramming from various sources of prior-year discretionary funds.

Disclosure 5: Other Disclosures

- Of the total FY 2011 actual drug obligations, $14.5 million are a result of carryover unobligated resources.
## U.S. Department of Justice
### Office of Justice Programs
#### Detailed Accounting Submission
#### Table of Reprogrammings and Transfers
#### For Fiscal Year Ended September 30, 2011
(Dollars in Millions)

<table>
<thead>
<tr>
<th>Drug Resources by Function:</th>
<th>Reprogrammings$</th>
<th>Transfers-in$</th>
<th>Transfers-out</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevention</td>
<td>$ (0.46)</td>
<td>$ 0.99</td>
<td>-</td>
<td>$ 0.54</td>
</tr>
<tr>
<td>State and Local Assistance</td>
<td>1.38</td>
<td>4.47</td>
<td>-</td>
<td>5.85</td>
</tr>
<tr>
<td>Treatment</td>
<td>(1.42)</td>
<td>1.27</td>
<td>-</td>
<td>(0.15)</td>
</tr>
<tr>
<td><strong>Total Drug Resources by Function</strong></td>
<td>$ (0.50)</td>
<td>$ 6.74</td>
<td>0.00</td>
<td>$ 6.24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Drug Resources by Budget Decision Unit:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Information Sharing System</td>
<td>$ (1.02)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Weed and Seed Program</td>
<td>0.00</td>
<td>1.44</td>
<td>-</td>
</tr>
<tr>
<td>Enforcing Underage Drinking Laws</td>
<td>(0.46)</td>
<td>0.85</td>
<td>-</td>
</tr>
<tr>
<td>Drug Court Program</td>
<td>(0.85)</td>
<td>1.07</td>
<td>-</td>
</tr>
<tr>
<td>Residential Substance Abuse Treatment</td>
<td>(0.57)</td>
<td>0.21</td>
<td>-</td>
</tr>
<tr>
<td>Prescription Drug Monitoring Program</td>
<td>(0.13)</td>
<td>0.50</td>
<td>-</td>
</tr>
<tr>
<td>Southwest Border Prosecution Initiative</td>
<td>(1.00)</td>
<td>2.68</td>
<td>-</td>
</tr>
<tr>
<td>Northern Border Prosecution Initiative</td>
<td>(0.47)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Second Chance Act$</td>
<td>(1.00)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Byrne Criminal Justice Innovation Program$</td>
<td>5.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Drug Resources by Budget Decision Unit</strong></td>
<td>(0.50)</td>
<td>$ 6.74</td>
<td>0.00</td>
</tr>
</tbody>
</table>

High-Intensity Drug Trafficking Area (HIDTA) Transfers $ - $  - $ - $ -
Organized Crime Drug Enforcement Task Force (OCDETF) $ - $ - $ - $ -

---

\[1\] With the exception of the Byrne Criminal Justice Innovation Program, reprogrammings reflect transfer amounts to the Salaries and Expenses account.

\[2\] Transfers-in reflect FY 2011 recoveries.

\[3\] Amounts reported for the Second Chance Act reflect only 50% of total Budget Authority for this decision unit, as directed by the Office of Management and Budget and Office of National Drug Control Policy.

\[4\] In FY 2011, OJP made funds available for the Byrne Criminal Justice Innovation Program via a $5.0 million reprogramming from various sources of prior-year discretionary funds.
Office of Justice Programs
Performance Summary Report
This page left intentionally blank.
On the basis of the Office of Justice Programs’ (OJP) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007, we assert that OJP’s system of performance measurement processes provide reasonable assurance that:

1. OJP uses the Grants Management System (GMS), the Performance Management Tool (PMT), and the Data Collection and Technical Assistance Tool to capture performance information accurately and was properly applied to generate the performance data.

2. Explanations offered for failing to meet a performance target and for any recommendations concerning plans and schedules for meeting future targets or for revising or eliminating performance targets is reasonable.

3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.

4. OJP has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations ($1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

Leigh Benda, Chief Financial Officer
OJP Official Responsible for Assertion

01/18/12
Date
PERFORMANCE MEASURES

The Office of Justice Programs (OJP), established by the Justice Assistance Act of 1984, supports collaboration of law enforcement at all levels in building and enhancing networks across the criminal justice system to function more effectively. Within OJP’s overall program structure, specific resources dedicated to support the National Drug Control Strategy are found in the Residential Substance Abuse Treatment (RSAT) program, the Drug Court program, the Prescription Drug Monitoring Program (PDMP), and the Enforcing Underage Drinking Laws (EUDL) program. As required by the ONDCP circular, Drug Control Accounting, dated May 1, 2007, OJP is reporting on the following performance measures of the above programs for this Performance Summary Report:

- Number of participants in the RSAT Program,
- Graduation rate of program participants in the Drug Court Program
- PDMP interstate solicited and unsolicited reports produced
- EUDL Programs that used evidence-based programs or practices

Current Year Performance Targets

Decision Unit: RSAT Program

Performance Measure 1: Number of participants in the RSAT Program

Table 1: Number of Participants in the RSAT Program

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>26,991</td>
<td>28,308</td>
<td>39,159</td>
<td>25,000</td>
<td>29,872</td>
<td>28,000</td>
<td>30,000</td>
</tr>
</tbody>
</table>

Data Validation and Verification

(1) RSAT, administered by the Bureau of Justice Assistance (BJA) and created by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322), assists state and local governments in developing and implementing residential substance abuse treatment programs (individual and group treatment activities) in correctional and detention facilities. The RSAT Program must be provided in residential treatment facilities, set apart from the general correctional population, focused on the substance abuse problems of the inmate, and develop the inmate's
cognitive, behavioral, social, vocational, and other skills to solve the substance abuse and related problems.

The RSAT Program formula grant funds may be used to implement four types of programs. For all programs, at least 10% of the total state allocation is made available to local correctional and detention facilities, provided such facilities exist, for either residential substance abuse treatment programs or jail-based substance abuse treatment programs as defined below.

The four types of programs are: 1) residential substance abuse treatment programs which provide individual and group treatment activities for offenders in residential facilities that are operated by state correctional agencies; 2) jail-based substance abuse programs which provide individual and group treatment activities for offenders in jails and local correctional facilities; 3) post release treatment component which provides treatment following an individual's release from custody; and 4) an aftercare component which requires states to give preference to subgrant applicants who will provide aftercare services to program participants. Aftercare services must involve coordination between the correctional treatment program and other human service and rehabilitation programs, such as education and job training, parole supervision, halfway houses, self-help, and peer group programs that may aid in rehabilitation.

The number of offenders who participate in the RSAT Program is a measure of the program’s goal to help offenders become drug-free and learn the skills needed to sustain themselves upon return to the community.

(2) Data for this measure are reported on a calendar year (CY) basis and, as a result, 2011 data will be available in June 2012.

(3) In CY 2010, the target of 25,000 was exceeded by 4,872. There are many contributing factors that determine the number of people who participate in the RSAT Program including the numbers of eligible offenders, available staff, and treatment providers; security issues; and the state’s ability to provide the required 25% matching funds.

(4) The CY 2011 and CY 2012 targets are 28,000 and 30,000 participants, respectively, and are increases over previous targets.

(5) BJA implemented the Performance Measurement Tool (PMT) on January 1, 2009, to support grantees’ ability to identify, collect, and report performance measurement data online for activities funded under their award. RSAT grantees are able to report data in PMT and create a report, which is uploaded to the Grants Management System (GMS).

Program managers obtain data from reports submitted by grantees, telephone contact, and on-site monitoring of grantee performance. Data are validated and verified through a review by program managers.
Current Year Performance Targets

Decision Unit: Drug Court Program

Performance Measure 2: Graduation Rate of Program Participants in the Drug Court

Table 2: Graduation Rate of Program Participants in the Drug Court Program

<table>
<thead>
<tr>
<th></th>
<th>FY 2008 Actual</th>
<th>FY 2009 Actual</th>
<th>FY 2010 Actual</th>
<th>FY 2011 Target</th>
<th>FY 2011 Actual</th>
<th>FY 2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>63.2%</td>
<td>57.3%</td>
<td>52.6%</td>
<td>73%</td>
<td>43%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Data Validation and Verification

(1) According to data from the National Crime Victimization Survey published in 2008, there were 6.1 million violent victimizations of residents age 12 or older in 2006. Victims of violence were asked to describe whether they perceived the offender to have been drinking or using drugs. Twenty-seven percent of the victims of violence reported that the offender was using drugs or drugs in combination with alcohol. The high percentage of victims victimized by an offender who had been drinking or abusing drugs demonstrates the need for drug-treatment services. OJP has a long history of providing drug-related resources to its constituencies in an effort to break the cycle of drugs and violence by reducing the demand, use, and trafficking of illegal drugs.

The drug court movement began as a community-level response to reduce crime and substance abuse among criminal justice offenders. This approach integrated substance abuse treatment, sanctions, and incentives with case processing to place non-violent drug-involved defendants in judicially supervised rehabilitation programs. OJP’s Drug Court Program, administered by BJA, was established in 1995 to provide financial and technical assistance to states, state courts, local courts, units of local government, and Indian tribal governments in order to establish drug treatment courts. Drug courts employ the coercive power of the judicial system to subject non-violent offenders to an integrated mix of treatment, drug testing, incentives and sanctions to break the cycle of substance abuse and crime. This community-level movement is supported through drug court grants and targeted technical assistance and training. Since 1989, more than 2,300 drug courts (adult, juvenile and tribal) have been established serving over 1,000 jurisdictions. Currently, every state has a drug court in operation.

The Graduation Rate of Program Participants is calculated by dividing the number of graduates during the reporting period (numerator) by the total number of participants exiting the program, whether successfully or unsuccessfully, during the reporting period (denominator).

(2) The FY 2011 target for the drug court graduation rate was originally set at 73%; however, based on both historical grantee reporting and extensive research into the national average drug court graduation rates, the target was revised to 48% in FY 2011.
The FY 2011 target of 48% reflects a more appropriate target for this measure, based on research into previous targets and actual rates.

Research indicates that the national average for drug court graduation rates is 50% for established (mature) drug courts and 46% for implementation grantees (immature drug courts). BJA believes the FY 2011 target was missed by 30% due to the following reasons. BJA has been reporting graduation rates for implementation grantees and not for established drug court grantees. Established drug courts are much more likely to experience success with higher graduation rate than implementation grantees, as implementation grantees are new and are in the midst of establishing their processes and staffing. Also, implementation grantees do not have the capacity to report accurately. Recent findings from the technical assistance provider revealed that the implementation grantees have very little technological capacity to collect and track necessary data for these measures and creates doubt on the accuracy of the numbers. In addition, the graduation rate calculation includes both failures and incompletes, which skews the results. Participants who moved, died, were ill, or whose case changed jurisdiction are erroneously coded as failures, which lowers the overall graduation rate.

For FY 2012, BJA will report on graduation rates for implementation and established grantees’ graduation rates separately, as well as revising the wording of the drug court measures so that failures and incompletes are separated.

---

(3) Revised to “Percent of Drug Court Participants who Graduate from the Drug Court Program,” the new methodology excludes participants who are not eligible to graduate (e.g., have not been enrolled in the program long enough to even be considered in the graduation pool). BJA feels that this approach (dividing the number graduating by the total number exiting the program, whether successfully or unsuccessfully) provides a more accurate reflection of the success or failure of participants exiting the program. Grantees will begin reporting on this measure in the 2nd Quarter of 2012 and actual will be available after April 2012.

(4) End of year performance data for the Drug Court Program are provided semi-annually by progress reports via GMS in June and January. BJA implemented PMT on January 1, 2009, to support grantees’ ability to identify, collect, and report performance measurement data online for activities funded under their award. Drug Court grantees report data in PMT and create a report which is uploaded to GMS.

Program managers obtain data from reports submitted by grantees, telephone contact, and on-site monitoring of grantee performance. Data are validated and verified through a review of grantee support documentation by program managers.
Current Year Performance Targets

Decision Unit: Prescription Drug Monitoring Program

Performance Measure 3: Number of interstate solicited and unsolicited reports produced

Table 3: Total number of interstate solicited reports produced

<table>
<thead>
<tr>
<th>CY 2010 Actual</th>
<th>CY 2011 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>196,843</td>
<td>200,000</td>
</tr>
</tbody>
</table>

Table 4: Total number of interstate unsolicited reports produced

<table>
<thead>
<tr>
<th>CY 2010 Actual</th>
<th>CY 2011 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,304</td>
<td>1,300</td>
</tr>
</tbody>
</table>

*Note: Data are not available for years prior to CY 2010.

Data Validation and Verification

(1) The Harold Rogers’ Prescription Drug Monitoring Program (PDMP), administered by BJA, enhances the capacity of regulatory and law enforcement agencies and public health officials to collect and analyze controlled substance prescription data and other scheduled chemical products through a centralized database administered by an authorized state agency.

(2) The objectives of the PDMP are to build a data collection and analysis system at the state level; enhance existing programs’ ability to analyze and use collected data; facilitate the exchange of collected prescription data among states; and assess the efficiency and effectiveness of the programs funded under this initiative. Funds may be used for planning activities or implementation activities.

(3) This performance measure contributes to the National Drug Strategy by aligning with the core area of improving information systems to better analyze, assess, and locally address drug use and its consequences. The measure collects data on reports for the following users: prescribers, pharmacies/pharmacists, law enforcement (police officers, correctional officers, sheriffs or deputies, state coroners who are considered law enforcement and other law enforcement personnel), regulatory agencies, patients, researchers, medical examiners/coroners, drug treatment programs, drug court judges, and others.

(4) BJA began collecting data for this measure in January 2010; therefore, to provide a year’s worth of data, calendar, not fiscal, data are used. BJA did not set targets for this measure prior to FY 2011 because there were not enough historical data to develop a
reasonable target. The FY 2012 target cannot be accurately determined. The measure is new and being reported on for the first time. There is not enough historical data to appropriately assess a reasonable target. BJA anticipates gathering enough data throughout the calendar year to provide a target for the following year.

(5) An increase in reports produced may indicate an increase in the use of the PDMP systems and reflects increased information sharing between states.
Current Year Performance Targets

Decision Unit: Enforcing Underage Drinking Laws Program

Performance Measure 4: Programs Implementing Evidence-Based Programs or Practices

Table 5: Programs that used evidence based programs or practices

<table>
<thead>
<tr>
<th>FY 2008 Actual</th>
<th>FY 2009 Actual</th>
<th>FY 2010 Actual</th>
<th>FY 2011 Target</th>
<th>FY 2011 Actual</th>
<th>FY 2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>72%</td>
<td>79%</td>
<td>74%</td>
<td>80%</td>
<td>87%</td>
<td>90%</td>
</tr>
</tbody>
</table>

Data Validation and Verification

(1) The Enforcing Underage Drinking Laws (EUDL) program, administered by the Office of Juvenile Justice and Delinquency Prevention (OJJDP), supports and enhances efforts by state and local jurisdictions to reduce the availability of alcohol to minors. EUDL program areas include compliance checks, party prevention patrols, bar patrols, and special events management/task force operations.

(2) This performance measure is appropriate as it is a core measure for EUDL and fits within OJJDP’s mission to promote best practices and strategies. Using evidence based programs or practices provides communities with solid programs that are effective with diverse populations, have been shown to produce results, and make good use of limited resources. Keeping track of how many EUDL grantees are using evidence based programs or practices illustrates how states and local jurisdictions are implementing the most effective strategies possible.

(3) This performance measure contributes to the National Drug Control Strategy by ensuring that communities are using the most effective practices available to combat underage drinking. The EUDL program and this measure directly address the strategy’s number one goal “to strengthen efforts to prevent drug use by underage persons in communities”, since alcohol is the number one drug of choice among America’s youth. EUDL also addresses goal four “to help break the cycle of drug use, crime, delinquency, and incarceration through curtailing access and consumption of alcohol by underage young people”.

(4) OJJDP program managers and the Training and Technical Assistance provider based the EUDL program target on grantee current data and familiarity with the state level programs and grantees. The FY2012 target of 90% was developed based on the most recent data results from EUDL grantees. Grantees continue to make advancements in the impact of their programming based on the integration of evidence based programs and practices.
OJJDP implemented the Data Collection Training and Technical Assistance Tool (DCTAT) to support grantees’ and subgrantees’ ability to identify, collect, and report performance measurement data online for activities funded under this award. EUDL grantees report data in the DCTAT and create a report, which is uploaded to GMS.

Program managers obtain data from reports submitted by grantees, telephone contact, and on-site monitoring of grantee performance. Data are validated and verified through a review by program managers.
ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES PROGRAM
This page left intentionally blank.
Office of the Inspector General’s Report on Annual Accounting and Authentication of Drug Control Funds and Related Performance

Director
Executive Office for the Organized Crime
Drug Enforcement Task Forces
U.S. Department of Justice

We have reviewed the accompanying Office of National Drug Control Policy (ONDCP) Detailed Accounting Submission, which includes Management’s Assertion Statement, Table of Drug Control Obligations, and the related disclosures; and the Performance Summary Report, which includes Management’s Assertion Statement and the related performance information, of the U.S. Department of Justice’s Executive Office for the Organized Crime Drug Enforcement Task Forces (OCDETF) for the fiscal year ended September 30, 2011. The OCDETF’s management is responsible for the Detailed Accounting Submission and the Performance Summary Report.

Our review was conducted in accordance with attestation standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. An attestation review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the ONDCP Detailed Accounting Submission and the Performance Summary Report. Accordingly, we do not express such an opinion.

Management of the OCDETF prepared the Detailed Accounting Submission and the Performance Summary Report to comply with the requirements of the ONDCP Circular, Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

Based on our review, nothing came to our attention that caused us to believe that the Detailed Accounting Submission and the Performance Summary Report for the fiscal year ended September 30, 2011, are not presented, in all material respects, in conformity with the ONDCP’s Circular,
Drug Control Accounting, dated May 1, 2007, and as otherwise agreed to with the ONDCP.

This report is intended solely for the information and use of OCDETF management, the ONDCP, and the U.S. Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Mark L. Hayes, CPA, CFE
Director, Financial Statement Audit Office
Office of the Inspector General
U.S. Department of Justice

January 18, 2012
Organized Crime Drug Enforcement
Task Forces Program
Detailed Accounting Submission
This page left intentionally blank.
On the basis of the Organized Crime Drug Enforcement Task Forces (OCDETF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007, we assert that the OCDETF system of accounting, use of estimates, and systems of internal controls provide reasonable assurance that:

1. Obligations reported by budget decision unit are the actual obligations from the OCDETF’s accounting system of record for these budget decision units.

2. The drug methodology used by OCDETF to calculate obligations of budgetary resources by function is reasonable and accurate in all material respects.

3. The drug methodology disclosed in this statement was the actual drug methodology used to generate the Table of Drug Control Obligations.

4. The data presented are associated with obligations against a financial plan that was revised during the fiscal year to properly reflect the changes, including ONDCP’s approval for reprogrammings and transfers affecting drug-related resources in excess of $1 million.

5. OCDETF did not have any ONDCP Fund Control Notices issued in FY 2011.

Peter Maxey, Budget Director

Date
U.S. Department of Justice  
Organized Crime Drug Enforcement Task Forces (OCDETF) Program  
Detailed Accounting Submission  
Table of Drug Control Obligations  
For Fiscal Year Ended September 30, 2011

<table>
<thead>
<tr>
<th>Decision Unit Crosswalk</th>
<th>Total FY 2011 Actual Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Drug Obligations by Decision Unit and Function

**Investigations:**
- Drug Enforcement Administration (DEA): $204,376
- Federal Bureau of Investigation (FBI): 141,142
- U.S. Marshals Service (USMS): 8,745
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF): 11,868
- OCDETF Fusion Center (OFC): 11,859
**TOTAL INVESTIGATIVE DECISION UNIT:** 377,990

**Prosecutions:**
- U.S. Attorneys (USAs): 146,030
- Criminal Division: 2,091
- EXO Threat Response Unit (TRU): 0,804
**TOTAL PROSECUTORIAL DECISION UNIT:** 148,925

- Total Agency Obligations: $526,915
- Drug Percentage: 100%

---

1/ Component allocations include the proportional distribution of the OCDETF Executive Office costs.
Disclosure No 1. - Drug Methodology

The Organized Crime Drug Enforcement Task Forces (OCDETF) Program is comprised of member agencies from three different Departments: the Department of Justice (DOJ), the Department of Treasury (Treasury), and the Department of Homeland Security (DHS). Beginning in FY 1998 and continuing through FY 2003, OCDETF member agencies were funded through separate appropriations. (Prior to the creation of DHS, which involved the transfer of the U.S. Coast Guard to DHS from the Department of Transportation, OCDETF was funded in DOJ, Treasury and Transportation appropriations.)

During FY 2004 and FY 2005, the DOJ’s Interagency Crime and Drug Enforcement (ICDE) appropriation included funding to reimburse agencies in the DOJ, Treasury and DHS for their participation in the OCDETF Program. The availability of a consolidated budget has been critical to the OCDETF Program’s ability both to ensure the proper and strategic use of OCDETF resources and to effectively monitor Program performance across all Departments and participating agencies. However, Congress repeatedly expressed concern with funding non-DOJ agencies via a DOJ appropriations account, and in FY 2005, Congress decreased base funding for non-DOJ program participants.

Recognizing that uncertainty surrounding funding levels for non-DOJ participants posed great difficulties for OCDETF in terms of program planning and administration, the Administration has not submitted a consolidated budget for the program since FY 2007. Instead, funding for the OCDETF Program’s non-DOJ partners was requested through direct appropriations for Treasury and DHS. Currently, only DOJ OCDETF appropriated funding comes from the ICDE account.

The OCDETF Program is directly charged with carrying out the DOJ drug supply reduction strategy, and all of its activities are aimed at achieving a measurable reduction in the availability of drugs in this country. The disruption and dismantlement of drug trafficking networks operating regionally, nationally, and internationally is a critical component of the supply reduction effort. In particular, the OCDETF Program requires that in each OCDETF case, investigators identify and target the financial infrastructure that permits the drug organization to operate.

The Table of Drug Control Obligations was prepared in accordance with the Office of National Drug Control Policy (ONDCP) Circular, Drug Control Accounting, dated May 1, 2007 and ONDCP’s memorandum, Current Budget Issues, dated September 3, 2008. The Table represents obligations from the ICDE account incurred by OCDETF for drug control purposes. All amounts are net of reimbursable agreements.
Data - All accounting information for the OCDETF Program is derived from the DOJ Financial Management Information System 2 (FMIS2). ICDE resources are reported as 100 percent drug-related because the entire focus of the OCDETF Program is drug control.

Financial Systems - FMIS2 is the financial system used to provide all ICDE obligation data. Obligations that are derived by this system reconcile with the enacted appropriations and carryover balances.

The OCDETF Program’s Decision Units are divided according to the four major activities of the Task Force -- Investigations, Drug Intelligence, Prosecutions, and Administrative Support -- and reflect the amount of reimbursable ICDE resources appropriated for each participating agency. With respect to the Table of Drug Control Obligations, the calculated amounts were derived from the FMIS2 system as follows:

a. Investigations Function - This decision unit includes the reimbursable resources that support investigative activities of the following participating agencies: the Drug Enforcement Administration; Federal Bureau of Investigation; the Bureau of Alcohol, Tobacco, Firearms and Explosives; and the U.S. Marshals Service. The methodology applies 100 percent of the resources that support the OCDETF Program’s investigative activities.

b. Drug Intelligence Function - This decision unit includes the reimbursable resources that support intelligence activities of the following participating agencies: the Drug Enforcement Administration and the Federal Bureau of Investigation, including the operational costs associated with the OCDETF Fusion Center. The methodology applies 100 percent of the resources that support the OCDETF Program’s intelligence activities.

c. Prosecution Function - This decision unit includes the reimbursable prosecution resources for the following participating DOJ agencies: the U.S. Attorneys and the Criminal Division. The methodology applies the total of 100 percent of the OCDETF Program’s Prosecution resources to the Prosecution Decision Unit.

d. Administrative Support Function - This decision unit includes funding for the OCDETF Executive Office for program oversight and support activities, as well as reimbursable resources to provide financial investigative training for member agencies. The methodology applies 100 percent of the resources that support the OCDETF Program’s administrative support activities.

Disclosure No 2. - Modifications to Drug Control Methodology

The overall methodology to calculate drug control obligations has not been modified in the Table of Drug Control Obligations. However, the Administration’s request for the OCDETF Program reflects a restructuring that collapses the OCDETF Program's four areas - Investigations, Drug Intelligence, Prosecution, and Administrative Support- into two decision units- Investigations and Prosecutions. Under this methodology, the Administrative Support of the OCDETF Executive Office is pro rated among decision units based on the percentage of appropriated
ICDE Program funding. Additionally, Drug Intelligence Costs is reported as part of the Investigations Decision Unit.

Disclosure No 3. - Material Weaknesses or Other Findings

The OCDETF Program is a component within the DOJ Offices, Boards and Divisions (OBDs). The OBDs FY 2011 Independent Auditors’ Report on Internal Control over Financial Reporting revealed no material weaknesses or significant deficiencies. In addition, the annual assurance statement required by the Federal Managers’ Financial Integrity Act (FMFIA) concludes that the OBDs can provide reasonable assurance that its systems of management, accounting, and administrative controls, taken as a whole substantially comply with the FMFIA and with the component requirements of the Federal Financial Management Improvement Act.

Disclosure No 4. - Reprogrammings and Transfers

There was no reprogramming in FY 2011.

Total availability consists of enacted budget authority for FY 2011, plus unobligated balances and recoveries brought forward from prior years. The OCDETF Program’s FY 2011 obligations include all re-allowed carryover funds and transfers. In FY 2011, the OCDETF Program re-allowed $976,000 from its no-year account (15X0323) as follows: $250,000 for the New York Strike Force; $100,000 for the Chicago Strike Force; $100,000 for the ATF ‘Operation Deliverance’; $96,000 for DEA costs associated with an ongoing FARC investigation; $430,000 for the OCDETF Executive Office MIS Programmer which is proportionally obligated to all resources functions.

In FY 2011, $2,207,267 in unobligated balances and prior year recoveries was brought forward from FY 2010 and available for new obligations. Of this amount, $976,000 was established as new obligations during FY 2011.
<table>
<thead>
<tr>
<th>Line Item</th>
<th>Transfer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Drug Resources by Decision Unit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Function</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Investigations:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drug Enforcement Administration (DEA)</td>
<td>($0.550)</td>
<td>(0.550)</td>
</tr>
<tr>
<td>Federal Bureau of Investigation (FBI)</td>
<td>(0.052)</td>
<td>(0.052)</td>
</tr>
<tr>
<td>U.S. Marshals Service (USMS)</td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td>Alcohol, Tobacco, Firearms and Explosives (ATF)</td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td>OCDETF Fusion Center Support (OFC)</td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>TOTAL INVESTIGATIONS DECISION UNIT</strong></td>
<td>(0.602)</td>
<td>(0.602)</td>
</tr>
<tr>
<td><strong>Prosecutions:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Attorneys (USAs)</td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td>Criminal Division (CRM)</td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td>EXO Threat Response Unit (TRU)</td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>TOTAL PROSECUTIONS DECISION UNIT</strong></td>
<td>0.00</td>
<td>0.000</td>
</tr>
<tr>
<td>Total Resources</td>
<td>($0.602)</td>
<td>(0.602)</td>
</tr>
</tbody>
</table>

\(^1\)Represents radio resources transferred to the DOJ Wireless Law Enforcement Communications Account as required by the FY 2011 DOJ Appropriations Act (P.L. 112-110).
Organized Crime Drug Enforcement
Task Forces Program
Performance Summary Report
This page left intentionally blank.
On the basis of the Organized Crime Drug Enforcement Task Forces (OCDETF) management control program, and in accordance with the guidance of the Office of National Drug Control Policy’s (ONDCP) Circular, *Drug Control Accounting*, dated May 1, 2007, we assert that the OCDETF system of performance reporting provides reasonable assurance that:

1. OCDETF has a system to capture performance information accurately and that system was properly applied to generate the performance data.

2. OCDETF met the reported performance targets for FY 2011.

3. The methodology described to establish performance targets for the current year is reasonable given past performance and available resources.

4. OCDETF has established at least one acceptable performance measure for each budget decision unit, as agreed to by ONDCP, for which a significant amount of obligations ($1 million or 50 percent of the agency drug budget, whichever is less) were incurred in the previous fiscal year. Each performance measure considers the intended purpose of the National Drug Control Program activity.

---

Peter Maxey, Budget Director       

[Signature]

Date: 1/18/12
Performance Measures

The Office of National Drug Control Policy (ONDCP) agreed to the OCDETF Program reporting only one measure for both of the OCDETF Decision Units (Investigations and Prosecutions) as the efforts of both are needed to achieve the results tracked by the measure. The disruption and dismantlement of a drug organization is a very complex operation that begins with investigative and intelligence activities by federal agents and culminates in federal prosecution of the parties involved.

Current Year Performance Targets

The annual targets for the OCDETF Program’s performance measures are determined by examining current year and prior year actuals. In addition to the historical factors, resources (including funding and personnel) are also taken into account when formulating a respective target.

The FY 2012 OCDETF Dismantlements and Disruptions (D&D) target is based on the percentage of FY 2011 OCDETF D&Ds to FY 2011 Department D&Ds, and the Department’s FY 2012 target. In FY 2011, OCDETF D&Ds accounted for 56% of the Department’s disruptions and 66% of the Department’s dismantlements. The Department’s targets for FY 2012 are 340 disruptions and 145 dismantlements. Therefore, the OCDETF D&D target for FY 2012 is 189 disruptions (or 56% of the Department’s disruptions); and 95 dismantlements (or 66% of the Department’s dismantlements).

Performance Measure 1: Consolidated Priority Organization Target (CPOT) - Linked Trafficking Organizations Disrupted and Dismantled

Table 1: Measure

<table>
<thead>
<tr>
<th></th>
<th>FY 2008 Actual</th>
<th>FY 2009 Actual</th>
<th>FY 2010 Actual</th>
<th>FY 2011 Target</th>
<th>FY 2011 Actual&lt;sup&gt;†&lt;/sup&gt;</th>
<th>FY 2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dismantlements</td>
<td>69</td>
<td>99</td>
<td>120</td>
<td>104</td>
<td>128&lt;sup&gt;†&lt;/sup&gt;</td>
<td>95</td>
</tr>
<tr>
<td>Disruptions</td>
<td>214</td>
<td>162</td>
<td>214&lt;sup&gt;†&lt;/sup&gt;</td>
<td>185</td>
<td>230&lt;sup&gt;‡&lt;/sup&gt;</td>
<td>189</td>
</tr>
</tbody>
</table>

<sup>*</sup>The overlap of Drug Enforcement Administration (DEA) and Federal Bureau of Investigation (FBI) in 4 FY 2011 Dismantlements/Disruptions results in the reduction of 4 disruptions from the total numbers.

<sup>†</sup>Breakdown by agency for OCDETF is: 128 Dismantled (109 DEA and 19 FBI)

<sup>‡</sup>Originally there were 212 disruptions; however, there were 2 additional DEA disruptions counted for FY 2010 after submission of this document.

<sup>§</sup>Breakdown by agency for OCDETF is: 230 Disrupted (181 DEA and 53 FBI)
The goal of the OCDETF Program is to identify, investigate, and prosecute the most significant drug trafficking and money laundering organizations and their related enterprises, and to disrupt and dismantle the operations of those organizations in order to reduce the illicit drug supply in the United States. By dismantling and disrupting trafficking organizations that are CPOT-linked, OCDETF is focusing enforcement efforts against organizations that include heads of narcotic and/or money laundering organizations, poly-drug traffickers, clandestine manufacturers and producers, and major drug transporters, all of whom are believed to be primarily responsible for the domestic illicit drug supply. Additionally, the financial investigations conducted by OCDETF are focused on eliminating the entire infrastructure of CPOT-linked organizations and permanently removing the profits enjoyed by these most significant drug traffickers. Reducing the nation’s illicit drug supply and permanently destroying the infrastructure of significant drug trafficking organizations are critical pieces of the Attorney General’s Drug Strategy as well as the National Drug Control Strategy. By reporting on the number of CPOT-linked organizations being disrupted or dismantled, OCDETF clearly indicates the number of significant drug organizations that have been impacted by law enforcement efforts.

OCDETF was able to dismantle 128 CPOT-linked organizations in FY 2011, exceeding its target. This is a 7 percent increase over the 120 that were dismantled in FY 2010, the highest number reported prior to FY 2011. OCDETF disrupted 230 CPOT-linked organizations in FY 2011, exceeding its target for disruptions. This is 7% greater than the 214 reported at the end of FY 2010. The total of 358 CPOT-linked organizations that were either dismantled or disrupted during FY 2011 is 7% higher than the 334 dismantled or disrupted in FY 2010, which was a record year. This achievement exceeded OCDETF’s goal for disruptions and dismantlements.

During FY 2011, in addition to making important gains against CPOT-linked organizations, OCDETF agencies continued to achieve significant successes against the CPOTs themselves. Over the course of the last year, six CPOT targets were dismantled and six CPOT targets were disrupted. Through these dismantlements and disruptions, OCDETF agencies made significant impacts against the Gulf Cartel and other significant cartels operating out of South America. Five of the six dismantled CPOT targets were arrested and extradited to the United States for prosecution. These six dismantled CPOTs had a significant impact on the illegal drug supply in the United States. It is estimated that their individual activities included: the capability of importing and distributing 100,000 tablets of MDMA per month into the United States and
distributing MDMA, cocaine, marijuana, hash, and methamphetamine around the world; distributing 40 kilograms of heroin to the New York area on a monthly basis; and moving cocaine valued in excess of $4 billion into the United States since 2004.

In addition to arrests, OCDETF agencies made other significant gains against the dismantled and disrupted CPOT targets including seizing nearly two million MDMA tablets from a dismantled CPOT target; securing the forfeiture of $35 million from a dismantled CPOT and seizing 24 properties in excess of 12,000 acres; and seizing approximately $245 million in assets and financial instruments, over 90 labs, and 24 tons of cocaine from a disrupted CPOT target. Law enforcement activity targeting these CPOTs involved complex and coordinated intelligence driven investigations, with exceptional cooperation between U.S. law enforcement agencies and international partners.

The CPOT List is updated semi-annually. Each OCDETF agency has an opportunity to nominate targets for addition to/deletion from the List. Nominations are considered by the CPOT Working Group (made up of mid-level managers from the participating agencies). Based upon the Working Group’s recommendations, the OCDETF Operations Chiefs decide which organizations will be added to/deleted from the CPOT List.

Once a CPOT is added to the List, OCDETF investigations can be linked to that organization. The links are reviewed and confirmed by OCDETF field managers using the OCDETF Fusion Center, agency databases, and intelligence information. Field recommendations are reviewed by the OCDETF Executive Office. In instances where a link is not fully substantiated, the sponsoring agency is given the opportunity to follow-up. Ultimately, the OCDETF Executive Office "un-links" any investigation for which sufficient justification has not been provided.

Data Validation and Verification

When evaluating disruptions/dismantlements of CPOT-linked organizations, OCDETF verifies reported information with the investigating agency’s headquarters.