



National Drug Control Strategy

FY 2008 BUDGET SUMMARY

The White House

February 2007



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I. Executive Summary

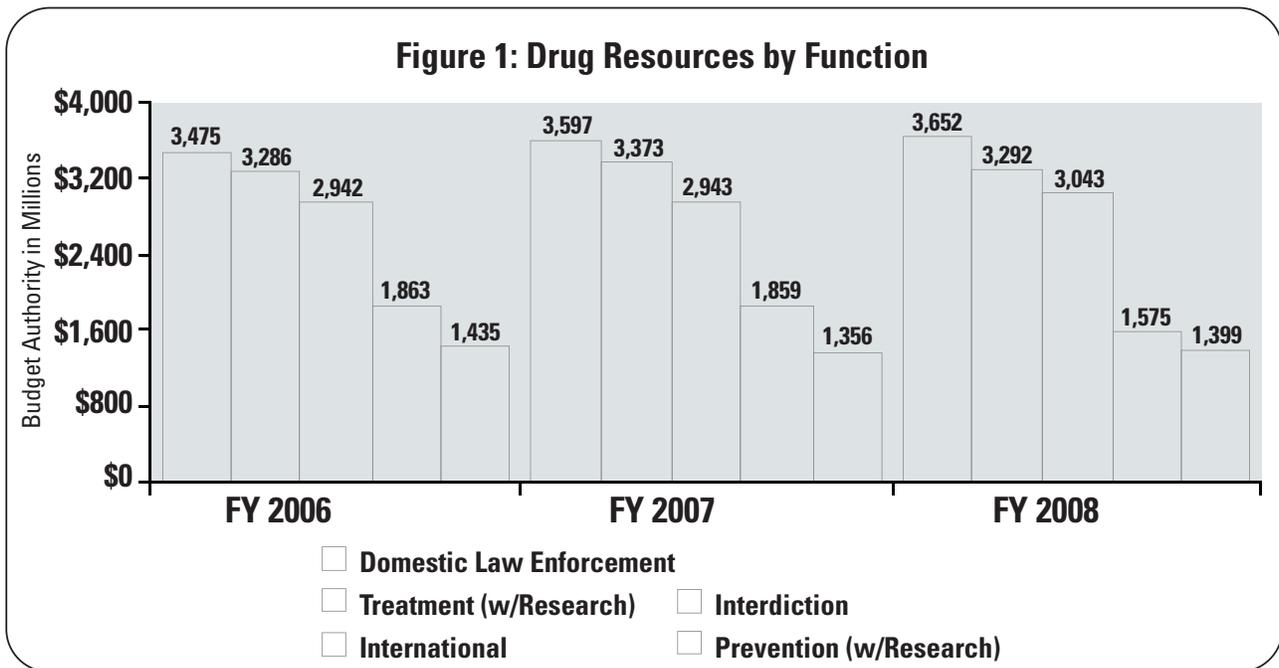
FY 2008 Drug Control Program Highlights

Each year the President develops the National Drug Control Strategy, which is the Nation's plan for combating the use and availability of illicit drugs. The National Drug Control Strategy – Budget Summary identifies resources that support the three key elements of the Strategy: (1) Stopping Use Before it Starts; (2) Intervening and Healing America's Drug Users; and, (3) Disrupting the Market. The Budget Summary demonstrates a balanced approach to drug control policy, where activities to reduce the demand for narcotics are augmented by efforts to stem their supply.

The FY 2008 Drug Budget totals \$12.961 billion, which is a decrease of \$0.167 billion, or 1.3 percent, from the previous year's level of \$13.128 billion. The Administration is also separately requesting \$266.1 million in additional spending for emergency designations associated with drug-related operations, principally in Afghanistan. In FY 2008, the Administration continues to demonstrate spending restraint. Resources focus on areas of greatest need. To be sure, with these financial commitments in place, the Nation will continue to make great progress in addressing current and future drug control challenges.

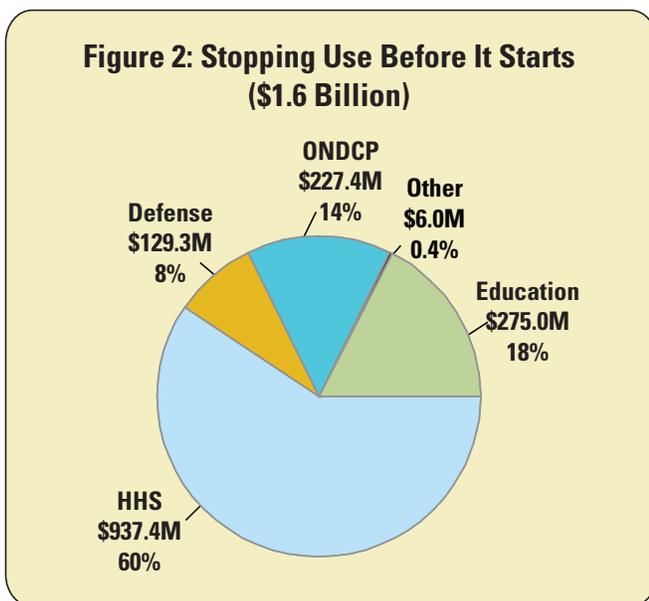
Resources fund important prevention efforts, such as the National Youth Anti-Drug Media Campaign, treatment programs like Access to Recovery, and international operations such as the Andean Counterdrug Initiative. Each program performs one or more critical drug control functions. Under this proposal, resources for domestic law enforcement, treatment, and international operations receive an increase over the previous year, while interdiction and prevention activities incur a reduction. Figure 1 details funding by function.

Eleven drug control agencies are a part of the Drug Budget. These agencies vary in mission and size. The Departments of Education, Health and Human Services, and Veterans Affairs are principally focused on supporting prevention and treatment programs. The Departments of Defense, Homeland Security, Justice, and State are involved in a variety of domestic law enforcement, interdiction, intelligence, and international operations. Each agency is an important partner in the drug control mission.



Stopping Use Before It Starts: Education and Community Action

Federal resources totaling \$1.6 billion (Figure 2) support a variety of education and outreach programs aimed at preventing the initiation of drug use. The Department of Education and Office of National Drug Control Policy (ONDCP) provide support to some of the most important prevention programs, such as Student Drug Testing, Drug-Free Communities, and the National Youth Anti-Drug Media Campaign. The Department of Health and Human Services (HHS) also contributes a large share of resources to fund prevention activities through its Programs of Regional and National Significance. These programs are highlighted below, as well as in the respective Agency Summary.



Student Drug Testing Department of Education FY 2008 Request: \$17.9 million

The Department of Education competitively awards grants to schools interested in developing, implementing, and expanding drug-testing programs for students. Eligible schools must have a comprehensive drug prevention program in place, and a viable referral process so that students who test positive for drug use can receive the necessary treatment. Testing cannot result in criminal action, nor can a student be penalized academically for testing positive. The Budget includes an additional \$7.5 million over the FY 2007 level. The new funding made available in FY 2008 will allow the Department to

increase the number of new grantees, as well as provide for the creation of a Student Drug Testing Institute, which may assist schools in developing, implementing, and evaluating student drug-testing programs.

Research-Based Grant Assistance to Local Educational Agencies (LEAs) Department of Education FY 2008 Request: \$59.0 million

The Budget includes an increase of \$29.0 million over the FY 2007 level for Research-Based Grants to LEAs. Under this program, grantees are required to either, (1) carry out at least one drug prevention or school safety program, practice, or intervention that rigorous evaluation has demonstrated to be effective; or, (2) carry out a rigorous evaluation of a promising program, practice, or intervention to test its effectiveness, and thereby increase the knowledge base of what works in the field. The additional resources in FY 2008 will fund approximately 83 new grants.

Safe and Drug-Free Schools and Communities State Grants

Department of Education FY 2008 Request: \$100.0 million

As part of No Child Left Behind reauthorization, the Administration is proposing to restructure significantly the Safe and Drug-Free Schools and Communities (SDFSC) State Grants program to focus on building state capacity to assist school districts in creating safe, drug-free schools, and secure school environments. The FY 2008 Budget includes \$100.0 million for the restructured SDFSC State Grants program, a reduction of \$251.6 million from FY 2007. States would use these funds to provide school districts with training, technical assistance, and information regarding effective models and strategies to create safe, healthy, and secure schools that, to the extent possible, reflect scientifically based research, along with a limited number of sub-grants to high need districts.

Drug-Free Communities Office of National Drug Control Policy FY 2008 Request: \$90.0 million

Local leaders are in the best position to understand the drug problem affecting their communities. In recognition of this unique insight, the Drug-Free Communities (DFC) program provides up to \$125,000 per year in grant funding to local community, drug-free

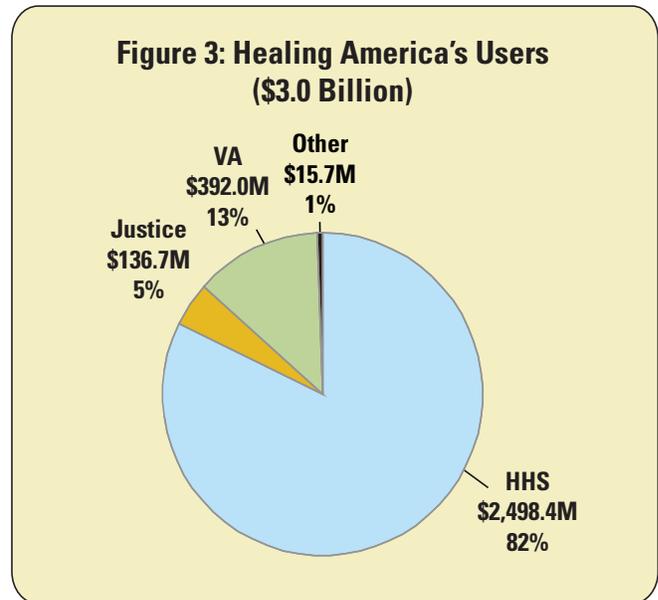
coalitions to develop plans that combat substance abuse problems. Each grantee is required to match 100 percent of their grant award with non-federal funds or in-kind support. The Budget includes an increase of \$10.0 million over the FY 2007 level of \$80.0 million. The additional funding in FY 2008 will support over 70 new DFC grants across the country. With only one in three applications currently receiving funding, these additional funds will allow for more applicants to enter DFC and work to strengthen communities and reduce youth drug use nationwide.

**National Anti-Drug Youth Media Campaign
Office of National Drug Control Policy
FY 2008 Request: \$130.0 million**

The National Youth Anti-Drug Media Campaign utilizes media channels, such as paid advertising, interactive media, and public information, to educate and motivate youth to develop anti-drug beliefs and behaviors, and encourage adults to play a more effective role in keeping youth drug-free. The FY 2008 Budget includes a \$30.0 million increase over the FY 2007 level. The additional \$30.0 million in funding will purchase media time and space to reach youths and parents. This includes television, radio, newspaper, internet, and non-traditional advertising (arcades, malls, cinema, etc.), with particular attention paid to youth social settings where pro-drug messages are increasing prevalent. This increase will also permit the Media Campaign to include a focus on methamphetamine, as directed by the ONDCP Reauthorization Act of 2006.

**Intervening and Healing America’s
Drug Users**

The Budget dedicates more than \$3 billion (Figure 3) in federal funds to drug abuse intervention and treatment efforts in FY 2008. This represents an increase of nearly \$100 million over the FY 2007 level. The Department of Health and Human Services supports the majority of the federal government’s efforts to help drug users in need. Select HHS drug intervention and treatment programs are detailed below. The Department of Veterans Affairs (VA) also provides critical treatment services to veterans who have been diagnosed as having a substance abuse disorder. Moreover, the Department of Justice, offers a myriad of treatment services to inmates within the Bureau of Prisons.



**Screening, Brief Intervention, Referral,
and Treatment (SBIRT) Activities
Department of Health and Human Services
FY 2008 Request: \$41.2 million**

A key screening and brief intervention (SBI) activity is the SBIRT program, which awards grants to states, territories, and tribal organizations to implement a program within a medical setting (emergency rooms, healthcare centers, etc.) where healthcare professionals identify and aid individuals who have substance abuse problems. Screening determines if an individual is using or at-risk. Brief intervention counsels the individual on the dangers of substance abuse. Referral provides individuals with treatment options, which have the potential to restore healthy behavior. The FY 2008 Budget proposes an increase of \$11.5 million over the FY 2007 level for SBI activities. The additional funding will provide for new grants to medical schools, school districts, and support SBIRT training summits.

**Healthcare Common Procedure
Coding System
Department of Health and Human Services
FY 2008 Request: \$75.0 million**

The Administration has made historic progress in improving access to early intervention and treatment for substance abuse through the approval of two new Healthcare Common Procedure Coding System (HCPCS) codes for alcohol and drug screening, and brief intervention (SBI). SBI is a proven approach for

reducing drug use. Beginning in January 2007, these new codes, which can be used by health care providers and states, will provide the opportunity for State Medicaid programs to pay for SBI services. ONDCP will be working with the Centers for Medicare and Medicaid Services in developing cost estimates and savings associated with these new HCPCS codes. Expanding this valuable tool to a range of medical settings will enable clinicians to screen more patients for substance abuse disorders, prevent use and treat individuals, and ultimately reduce the burden of addictive disorders to the Nation, communities, and families. The federal Medicaid cost is estimated to be \$75.0 million in FY 2008.

Access to Recovery

Department of Health and Human Services FY 2008 Request: \$98.0 million

The Access to Recovery (ATR) program expands access to substance abuse treatment and recovery support services, including those that are faith-based. Grants were awarded to 14 states and one tribal organization to implement a voucher-based system that targets those in need of treatment but not able to obtain it. ATR allows individuals to tailor treatment services to best meet their needs, such as including services supplied by faith-based or community-based organizations or focusing on methamphetamine abuse treatment. The FY 2008 Budget includes \$98.0 million for 20 grants to states and Native American Tribes to provide services to more than 55,000 individuals annually.

Adult, Juvenile, and Family Drug Courts

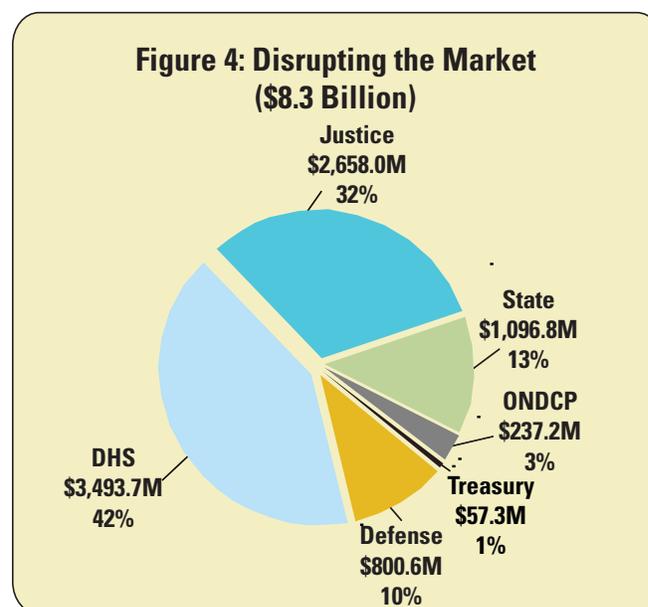
Department of Health and Human Services FY 2008 Request: \$31.8 million

The Adult, Juvenile, and Family Drug Courts program awards grants to treatment providers and court systems to supply drug court participants with treatment services, including case management and program coordination. Funding is designed to close gaps in the continuum of treatment. The FY 2008 Budget includes an additional \$21.7 million over the FY 2007 level for this program. Within the overall funding level of \$31.8 million, the Administration will triple the number of drug court grants from FY 2006.

Disrupting the Market

Over \$8 billion (Figure 4) in federal resources support programs to disrupt the illicit drug market. In addition

to these resources, funding in the amount of \$266.1 million is sought in FY 2008 for emergency designations, principally associated with Afghanistan operations. The Department of Homeland Security (DHS), with the Customs and Border Protection (CBP) and the United States Coast Guard, provides the necessary assets and personnel to interdict drugs along the Nation's borders. These drug control efforts are complemented by detection and monitoring, eradication, and alternative development programs sponsored by the Departments of Defense and State. Further, the Department of Justice, which is comprised of key law enforcement and grant giving agencies, provides important intelligence and domestic support to disrupt the drug trade.



Andean Counterdrug Initiative

Department of State FY 2008 Request: \$635.3 million

The Andean Counterdrug Initiative (ACI) stems the flow of cocaine and heroin from the Andes, which includes Bolivia, Brazil, Colombia, Ecuador, Panama, Peru, and Venezuela. This region is almost entirely responsible for the world's supply of cocaine and is a major supplier of heroin to the United States. ACI achieves its goals through support for law enforcement, border control, illicit crop reduction and alternative development, institution building, and human rights programs in the region. While the total funding requested for ACI in FY 2008 is less than the FY 2007 level, the program will continue to provide critical support to the region. Of

the total request for ACI, \$192.5 million is included within the Economic Support Fund (ESF) for alternative development activities.

Afghanistan Counterdrug Support Department of State

FY 2008 Request: \$327.6 million

This initiative provides support for counternarcotics efforts in Afghanistan. The Administration will aid Afghans in reducing opium production in the country by funding alternative crop development, drug enforcement, interdiction, public diplomacy, and demand reduction programs. The Poppy Elimination Program emphasizes engaging Government of Afghanistan officials in primary producing provinces to campaign proactively against farmers planting poppy, pressure farmers who do plant poppy to voluntarily replant legitimate crops, and threaten forced eradication. In FY 2008, the Department of State will use resources to expand the program to more Afghan areas, providing coverage for 90 percent of the provinces where poppy is grown. Of the \$327.6 million for Afghanistan, \$120.6 million is requested within ESF for alternative development activities.

Domestic Enforcement

Department of Justice

FY 2008 Request: \$1,426.6 million

The Drug Enforcement Administration's Domestic Enforcement operations are focused on disrupting or dismantling organizations that control the illegal drug trade within the Nation's borders, and seizing the proceeds and assets involved in these illegal activities. The FY 2008 Budget proposes a number of important program increases to Domestic Enforcement. These enhancements provide: \$29.2 million to strengthen Southwest Border and methamphetamine enforcement operations, including an expansion of Operations Knight Moves and White Fang; \$7.1 million for counterterrorism and intelligence sharing, including permanent base resources for Operation Breakthrough; and \$3.0 million to support online investigations of drug trafficking and money laundering organizations.

Border Security and Control Between the Ports of Entry

Department of Homeland Security

FY 2008 Request: \$3.0 billion (\$456.3 million drug-related)

The Border Patrol is principally responsible for securing

and controlling the United States border between the ports of entry. Traffic check operations, canine teams, and membership in a number of interagency drug task forces aid Border Patrol in preventing illicit drugs and other contraband from entering the United States. In FY 2008, CBP requests an additional \$604.3 million to hire, train, and equip 3,000 new Border Patrol Agents and 688 operational/mission support personnel. Border Patrol determines that 15 percent of staff time is devoted to counternarcotics activities. As such, the drug attribution associated with this proposal is \$90.6 million, 450 agents, and 103 support personnel. Border Patrol's increased presence between the ports of entry will greatly benefit the Nation's efforts to disrupt the drug market.

CBP Office Air & Marine

Department of Homeland Security

FY 2008 Request: \$429.6 million

With over 500 pilots and 250 aircraft, CBP Office of Air and Marine (A&M) is the largest law enforcement air force in the world. CBP's priority mission is to secure the Nation's borders. To achieve this end, A&M uses an integrated and coordinated force to detect, interdict, and prevent acts of terrorism and drug smuggling arising from the unlawful movement of people and goods across the borders of the United States. While the mission of A&M has evolved since September 11, 2001, the activities remain 90 percent drug-related. The total funding being requested for A&M operations in FY 2008 is \$429.6 million, a net reduction of \$112.4 million from the FY 2007 enacted level. This net reduction is comprised of one-time expenses associated with capital purchases in FY 2007, and two program enhancements proposed in FY 2008. A&M program enhancements include \$36.7 million for A&M's Air Maintenance Contract and \$18.0 million for the P-3 Service Life Extension Program. These enhancements will allow CBP to upgrade critical counterdrug aerial assets.

Byrne Public Safety and Protection Grants

Department of Justice

FY 2008 Request: \$140.4 million

This new grant program consolidates funding for a variety of drug control programs within the Office of Justice Programs (OJP). Programs including Domestic Cannabis Eradication/Suppression, Drug Courts, Methamphetamine Clean-up, and Prisoner Reentry will be brought together into a single, flexible grant that will help state, local, and tribal governments develop

programs appropriate to the particular needs of their jurisdiction. Through a competitive grant process, OJP will focus assistance on those jurisdictions experiencing significant criminal justice problems and assist state and local governments in addressing a number of high-priority criminal justice concerns. Funding under this proposal will permit state and local governments to submit applications for legacy program activities.

Emergency Supplemental & Additional Spending with Emergency Designations

In FYs 2007 and 2008, the Administration requests additional supplemental funding and emergency spending for planned expenses associated with drug-related activities, principally in Afghanistan. The additional supplemental funding and emergency spending within these proposals are requested separately, and, therefore, they are presented separately from other drug control funding. In FY 2007, \$387.6 million in emergency spending is requested. In FY 2008, \$266.1 million is requested for additional spending associated with emergency designations. The funds requested for counterdrug support will provide additional resources to Afghanistan to interdict drug shipments leaving the country and encourage Afghanistan's farmers to grow legitimate crops. Additional details associated with the proposal are included as a separate discussion in the Appendices of this document.

Changes to the National Drug Control Budget

Additions to the Drug Control Budget

As detailed in the previous section, several programs have been added to the Drug Budget in FY 2008. These programs are the Department of State's Economic Support Fund, Department of Health and Human Services' HCPCS codes, and the Department of Justice's Byrne Public Safety and Protection program.

Budget Summary Presentation

The recent enactment of Public Law 109-469, the Office of National Drug Control Policy Reauthorization Act of 2006, authorizes new drug control budget reporting requirements. Given the very recent enactment of this legislation, the Drug Budget display in this volume and

in the Budget of the President continues to reflect the legacy methodology employed in prior years.

Program Performance

The Budget Summary, in furtherance of the Administration's commitment to integrating performance more closely with budgets, has moved away from the usual description of meetings and other outputs to a more results-oriented focus. The Performance sections for each agency are based on their Government Performance and Results Act (GPRA) Plans and Reports, the Performance and Accountability Reports, and also the Program Assessment Rating Tool (PART) results. Additional information from budget justifications and internal management documents are included where appropriate.

The Administration's emphasis on integrating budget and performance was institutionalized through an annual assessment of federal programs as part of the budget process. The PART is used to review a set of federal programs every year. It evaluates a program's purpose, planning, management, and results to determine its overall effectiveness rating. Along each of these four dimensions, a program may receive a score from 0 to 100. It is an accountability tool that attempts to determine the strengths and weaknesses of federal programs with an emphasis on the results produced. In 2002, eight federal drug control programs were rated plus an additional four programs during 2003. Three programs were assessed in 2004 and one more in 2005. Two additional programs were rated in FY 2006, bringing the five-year cycle to an end. Starting in 2007, these programs will be reassessed through PART.

The Performance sections in this document present PART scores and the year of review for each program. They also display performance targets and related actual accomplishments for key performance measures. In addition, supplementary qualitative information is provided.

II. Drug Control Funding Tables

**Table 1: Federal Drug Control Spending by Function
FY 2006-FY 2008
(Budget Authority in Millions)**

Function	FY 2006	FY 2007	FY 2008	07 - 08 Change	
	Final	Estimate ¹	Request	Dollars	Percent
Treatment (w/ Research)	2,941.9	2,943.0	3,042.7	99.7	3.4%
<i>Percent</i>	22.6%	22.4%	23.5%		
Prevention (w/ Research)	1,862.6	1,859.0	1,575.1	-283.9	-15.3%
<i>Percent</i>	14.3%	14.2%	12.2%		
Domestic Law Enforcement	3,474.7	3,597.0	3,652.2	55.2	1.5%
<i>Percent</i>	26.7%	27.4%	28.2%		
Interdiction	3,285.6	3,372.9	3,292.1	-80.8	-2.4%
<i>Percent</i>	25.3%	25.7%	25.4%		
International	1,434.5	1,356.2	1,399.3	43.1	3.2%
<i>Percent</i>	11.0%	10.3%	10.8%		
Total	\$12,999.2	\$13,128.1	\$12,961.4	-\$166.7	-1.3%
Supply/Demand Split					
Supply	8,194.8	8,326.1	8,343.6	17.5	0.2%
<i>Percent</i>	63.0%	63.4%	64.4%		
Demand	4,804.4	4,802.0	4,617.8	-184.2	-6.6%
<i>Percent</i>	37.0%	36.6%	35.6%		
Total	\$12,999.2	\$13,128.1	\$12,961.4	-\$166.7	-1.3%

¹ The FY 2007 resources for the Departments of Defense and Homeland Security are enacted figures.

NOTE: In addition to the resources displayed in the table above, the Administration requests \$387.6 million in FY 2007 for Emergency Supplemental funding and \$266.1 million in FY 2008 for Emergency Designations. These resources represent counterdrug spending principally associated with Afghanistan operations.

Detail may not add to totals due to rounding.

Table 2: Drug Control Funding by Agency
FY 2006-FY 2008
(Budget Authority in Millions)

	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Department of Defense	1,086.6	1,073.9 ^{/1}	936.8
Department of Education	489.8	524.8	275.0
Department of Health and Human Services			
Centers for Medicare & Medicaid Services	—	—	75.0
National Institute on Drug Abuse	998.9	1,000.0	1,000.4
Substance Abuse and Mental Health Services Administration	2,440.9	2,442.5	2,360.4
Total HHS	\$3,439.7	\$3,442.5	\$3,435.7
Department of Homeland Security			
Customs and Border Protection	1,635.3	1,874.6	1,970.3
Immigration and Customs Enforcement	382.3	422.8	450.2
United States Coast Guard	1,225.5	1,140.2	1,073.2
Total DHS	\$3,243.1	\$3,437.6 ^{/1}	\$3,493.7
Department of Justice			
Bureau of Prisons	62.6	65.1	67.2
Drug Enforcement Administration	1,890.8	1,876.0	2,041.8
Interagency Crime and Drug Enforcement	483.2	485.1	509.2
Office of Justice Programs	238.2	227.8	178.9
Total DOJ	\$2,674.9	\$2,654.0	\$2,797.0
ONDCP			
Counterdrug Technology Assessment Center	29.7	19.6	5.0
High Intensity Drug Trafficking Area Program	224.7	225.3	220.0
Other Federal Drug Control Programs	193.0	194.0	224.5
<i>Drug-Free Communities (non-add)</i>	<i>79.2</i>	<i>80.0</i>	<i>90.0</i>
<i>National Youth Anti-Drug Media Campaign (non-add)</i>	<i>99.0</i>	<i>100.0</i>	<i>130.0</i>
Salaries and Expenses	26.6	26.0	23.9
Total ONDCP	\$474.0	\$464.9	\$473.4
Small Business Administration	1.0	1.0	1.0
Department of State			
Bureau of International Narcotics & Law Enforcement Affairs	1,036.0	1,011.2	783.7
United States Agency for International Development	120.9	84.0	313.1
Total State	\$1,156.9	\$1,095.2	\$1,096.8
Department of Transportation			
National Highway Traffic Safety Administration	1.6	2.7	2.7
Department of Treasury			
Internal Revenue Service	55.0	55.0	57.3
Department of Veterans Affairs			
Veterans Health Administration	376.7	376.6	392.0
Total	\$12,999.2	\$13,128.1	\$12,961.4

^{/1} The FY 2007 resources for the Departments of Defense and Homeland Security are enacted figures.

NOTE: In addition to the resources displayed in the table above, the Administration requests \$387.6 million in FY 2007 for Emergency Supplemental funding and \$266.1 million in FY 2008 for Emergency Designations. These resources represent counterdrug spending principally associated with Afghanistan operations. **Detail may not add to totals due to rounding.**

**Table 3: Drug-Related Supplemental & Additional Spending for
Emergency Designations
FY 2007 & FY 2008
(Budget Authority in Millions)**

	FY 2007 Request	FY 2008 Request
Department of Defense	259.1	257.6
Department of Justice		
Drug Enforcement Administration	8.5	8.5
Department of State		
USAID: Economic Support Fund	120.0	–
Total, Drug-Related Supplemental & Emergency Spending	\$387.6	\$266.1

Table 4: Historical Drug Control Funding by Function
FY 2001-FY 2008
 (Budget Authority in Millions)

FUNCTIONS	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
	Final	Final	Final	Final	Final	Final	Estimate ^{/1}	Request
Demand Reduction								
Drug Abuse Treatment	2,086.5	2,236.8	2,264.6	2,421.1	2,431.8	2,341.6	2,342.2	2,441.6
Treatment Research	489.1	547.8	611.4	607.2	621.2	600.3	600.8	601.1
Total Treatment	\$2,575.5	\$2,784.5	\$2,876.0	\$3,028.3	\$3,053.0	\$2,941.9	\$2,943.0	\$3,042.7
<i>Percentage</i>	<i>27.2%</i>	<i>26.2%</i>	<i>25.9%</i>	<i>25.5%</i>	<i>24.1%</i>	<i>22.6%</i>	<i>22.4%</i>	<i>23.5%</i>
Drug Abuse Prevention	1,540.8	1,629.0	1,553.6	1,543.5	1,530.1	1,451.1	1,445.9	1,161.8
Prevention Research	326.8	367.4	382.9	412.4	422.0	411.5	413.1	413.2
Total Prevention	\$1,867.6	\$1,996.5	\$1,936.4	\$1,955.9	\$1,952.1	\$1,862.6	\$1,859.0	\$1,575.1
<i>Percentage</i>	<i>19.7%</i>	<i>18.8%</i>	<i>17.5%</i>	<i>16.5%</i>	<i>15.4%</i>	<i>14.3%</i>	<i>14.2%</i>	<i>12.2%</i>
Total Demand Reduction	\$4,443.1	\$4,781.0	\$4,812.4	\$4,984.2	\$5,005.1	\$4,804.4	\$4,802.0	\$4,617.8
<i>Percentage</i>	<i>46.9%</i>	<i>44.9%</i>	<i>43.4%</i>	<i>42.0%</i>	<i>39.6%</i>	<i>37.0%</i>	<i>36.6%</i>	<i>35.6%</i>
Supply Reduction								
Domestic Law Enforcement	2,511.2	2,867.2	3,018.3	3,189.8	3,317.9	3,474.7	3,597.0	3,652.2
<i>Percentage</i>	<i>26.5%</i>	<i>26.9%</i>	<i>27.2%</i>	<i>26.9%</i>	<i>26.2%</i>	<i>26.7%</i>	<i>27.4%</i>	<i>28.2%</i>
Interdiction	1,895.3	1,913.7	2,147.5	2,534.1	2,927.9	3,285.6	3,372.9	3,292.1
<i>Percentage</i>	<i>20.0%</i>	<i>18.0%</i>	<i>19.4%</i>	<i>21.4%</i>	<i>23.2%</i>	<i>25.3%</i>	<i>25.7%</i>	<i>25.4%</i>
International	617.3	1,084.5	1,105.1	1,159.3	1,393.3	1,434.5	1,356.2	1,399.3
<i>Percentage</i>	<i>6.5%</i>	<i>10.2%</i>	<i>10.0%</i>	<i>9.8%</i>	<i>11.0%</i>	<i>11.0%</i>	<i>10.3%</i>	<i>10.8%</i>
Total Supply Reduction	\$5,023.8	\$5,865.4	\$6,270.9	\$6,883.2	\$7,639.2	\$8,194.8	\$8,326.1	\$8,343.6
<i>Percentage</i>	<i>53.1%</i>	<i>55.1%</i>	<i>56.6%</i>	<i>58.0%</i>	<i>60.4%</i>	<i>63.0%</i>	<i>63.4%</i>	<i>64.4%</i>
TOTALS	\$9,467.0	\$10,646.4	\$11,083.3	\$11,867.4	\$12,644.3	\$12,999.2	\$13,128.1	\$12,961.4

^{/1} The FY 2007 resources for the Departments of Defense and Homeland Security are enacted figures.
 NOTE: In addition to the resources displayed in the table above, the Administration requests \$387.6 million in FY 2007 for Emergency Supplemental funding and \$266.1 million in FY 2008 for Emergency Designations. These resources represent counterdrug spending principally associated with Afghanistan operations.
Detail may not add to totals due to rounding.

III. Agency Budget Summaries

DEPARTMENT OF DEFENSE



DEPARTMENT OF DEFENSE

Counternarcotics Central Transfer Account

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Enacted	FY 2008 Request
Drug Resources by Function			
Intelligence	140.644	155.714	157.251
Interdiction	585.254	539.648	455.934
Investigations	44.798	53.465	47.487
Prevention	172.449	136.824	129.284
Research & Development	21.295	33.765	26.761
State and Local Assistance	116.816	146.488	113.164
Treatment	5.308	7.970	6.941
Total Drug Resources by Function	\$1,086.564	\$1,073.874	\$936.822
Drug Resources by Decision Unit			
Counternarcotics Central Transfer Account	936.094	1,073.874	936.822
Supplemental Account ¹	150.470	–	–
Total Drug Resources by Decision Unit	\$1,086.564	\$1,073.874	\$936.822
Drug Resources Personnel Summary			
Total FTEs (direct only)	1,421	1,461	1,471
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$593.8	\$501.5	\$469.3
Drug Resources Percentage	0.18%	0.21%	0.20%

¹ Of the \$150.5 million appropriated in the FY 2006 supplemental for Afghanistan efforts, \$86.9 million was allocated in FY 2006, and \$63.6 million in FY 2007.

Program Summary

Mission

The Department of Defense's (Defense) counternarcotics operations detect, monitor, and support the interdiction, disruption or curtailment of emerging drug-related threats to our national security. Defense is the lead federal agency in efforts to detect and monitor the aerial and maritime transit of illegal drugs toward the United States. Defense also collects, analyzes, and disseminates intelligence on drug activity; provides training for U.S. and foreign drug law enforcement agencies and foreign

military forces with drug enforcement responsibilities; and, approves and funds Governors' State Plans for National Guard use, when not in federal service, to support drug interdiction and other counternarcotics activities, as authorized by state laws.

The Office of Counternarcotics, Counterproliferation and Global Threats, with oversight from the Under Secretary of Defense for Policy, is the single focal point

for Defense's counterdrug activities, and ensures that the Department develops and implements a focused counternarcotics program with clear priorities and measured results. Consistent with applicable laws, authorities, and regulations, Defense will provide sufficient forces and resources to the counternarcotics mission to achieve high-impact results.

Budget

In FY 2008, the Department of Defense requests \$936.8 million, which is a decrease of \$137.1 million from the FY 2007 enacted level of \$1,073.9 million. This change from the prior year primarily reflects Congressional adjustments to the President's request for Drug Interdiction and Counterdrug Activities in FY 2007.

Counternarcotics Central Transfer Account

Total FY 2008 Request: \$936.8 million
(Includes –\$137.1 million in program changes)

Defense resources are initially appropriated into this holding account and later identified by appropriation, program, and project in order to be transferred out to the Defense service most appropriate for carrying out the prescribed mission. With this flexibility, the Defense counternarcotics program can accommodate ever-changing patterns in the narcotrafficking threats by shifting counterdrug resources where they will be most effectively used.

The Department of Defense defines four mission areas that encompass the scope of their counternarcotics program. These mission areas are, (1) Demand Reduction; (2) Domestic Support; (3) Intelligence and Technology; and (4) International Support.

Demand Reduction

FY 2008 Request: \$136.2 million
(Includes –\$8.6 million in program changes)

The FY 2007 enacted year resources of \$144.8 million support Defense's demand reduction operations. The Department emphasizes prevention of drug use through pre-accession and random drug-testing, anti-drug education and treatment. Emphasis is placed on deterring drug use through cost-effective drug-testing with punitive consequences for members who are identified as drug users. Resources will continue to

support a variety of Defense demand reduction programs, such as, (1) drug testing for active duty military, National Guard and Reserve personnel, and Defense civilian employees; (2) drug abuse prevention activities for military and civilian personnel and their dependents; and, (3) drug treatment for military personnel. In addition, this request will support the National Guard State Plans and Service outreach programs, and the Young Marines outreach program.

FY 2008 Program Changes (–\$8.6 million)

This change from the prior year is largely a result of Congressional adjustments to the President's request for National Guard State Plans Outreach programs in FY 2007.

Domestic Support

FY 2008 Request: \$206.2 million
(Includes –\$51.1 million in program changes)

The FY 2007 enacted resources of \$257.3 million finance Defense's domestic support operations. In light of the conflicts in Iraq and Afghanistan and the Department's continuing global war against terror, Defense limits its domestic counterdrug contributions to those functions that are militarily unique and benefit the Department's primary missions. Resources will fund National Guard State Plans that support domestic law enforcement efforts and the counternarcoterrorism schools. Also, Defense will fund Domestic Operational Support, such as US Northern Command (NORTHCOM) counternarcoterrorism support to Drug Law Enforcement Agencies (DLEA) and Title 10 National Guard translation efforts. Finally, resources will fund domestic detection and monitoring efforts (Tethered Aerostats).

FY 2008 Program Changes (–\$51.1 million)

This decrease primarily reflects Congressional adjustments to the National Guard State Plans supply reduction programs in FY 2007.

Intelligence and Technology

FY 2008 Request: \$162.2 million
(Includes +\$7.3 million in program changes)

The FY 2007 enacted year resources of \$154.9 million provide for critical intelligence support to national policies designed to dismantle narcotics trafficking and international terrorist organizations benefiting from drug trafficking. The use of new technology continues to be instrumental in combating narcoterrorist activities. Resources will allow Defense to continue to test, evaluate,

develop and deploy technologies that are used to collect and survey suspect narcoterrorist smuggling operations in air, land, and sea. This request will provide for counternarcoterrorism intelligence support and analysis, as well as signal intelligence (SIGINT) collection and processing. In addition, resources will support Service and Special Operations Command (SOCOM) programs, as well as counternarcotic technology efforts.

FY 2008 Program Changes (+\$7.3 million)

The Budget includes an increase of \$7.3 million for intelligence and technology operations. Intelligence program enhancements include additional processors to accommodate capacity increases among intelligence programs and increased support for counternarcotic Tactical Unmanned Aerial System efforts.

International Support**FY 2008 Request: \$432.2 million****(Includes -\$84.7 million in program changes)**

The FY 2007 enacted year resources of \$516.9 million support Defense's international counternarcotics activities. Defense has expanded its counternarcotics mission to include targeting terrorist groups in regions where they benefit from illicit drug revenue or use drug smuggling systems. Resources will support operations in these Areas of Responsibility (AOR), including training and equipment support. Additionally, resources will sustain detection and monitoring platforms and assets, and support AOR Command and Control support, including operations of JIATF-West and South.

FY 2008 Program Changes (-\$84.7 million)

This decrease is a result of one-time Congressional action in the FY 2007 Defense Appropriations Act, which provided \$100.0 million in funding for Defense's Afghanistan counternarcotics mission, and \$10.0 million for the Joint Southern Surveillance Reconnaissance Operations Center (JSSROC) to transition to newer technologies.

Performance

Introduction

This section on the FY 2006 performance of the Department of Defense program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

Defense's counternarcotics program has not been reviewed under the Administration's PART process. Defense has not established targets for its support to agencies, but it is assessing the feasibility of setting such targets as part of refining its Performance Plan.

In FY 2006, Defense assets provided significant support to domestic and foreign drug law enforcement agencies in the areas of training, communications support, infrastructure, intelligence, transportation, equipment, command and control, as well as detection and monitoring. In addition, Defense is on track to reduce drug use among active duty and civilian personnel. Selected examples of performance measures of such support are depicted in the table on the following page.

Department of Defense		
No PART Assessment Made		
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
Demand Reduction		
» Percent of active duty military personnel testing positive for drug use	under 2%	1.14%
Partner Nation Support		
» Colombia: Number of basic rotary pilots trained and graduated	20	18
» Colombia: Number of COLAR helicopter mechanics trained and graduated	35	29
» Operational Readiness rate for COLAR rotary wing UH-60 FMF aircraft	65%	85%
» Operational Readiness rate for COLAF C-130 FMF aircraft	75%	68%
» Afghanistan: Number of persons trained	*	1,002
» Andean Ridge: Number of personnel trained	*	1,795
» Pacific Region: Number of personnel trained	*	862
Domestic Support to Law Enforcement		
» Pounds of heroin seized with National Guard support	*	3,420
» Pounds marijuana seized with National Guard support	*	3,968,842
» Pounds cocaine seized with National Guard support	*	714,706
» Number of tablets of ecstasy seized with National Guard support	*	726,191
Transit Zone International and Detection & Monitoring Air Programs		
AWACS/E-3C (AEW)	Number of sorties	* 75
	Number of operational hours	* 495
ROTHR	Number of tracks sorted resulting in drugs seized	* 127,542
	Number of pounds seized	* 2,022
E-2C (AEW)	Number of sorties	* 63
	Number of operational hours	* 214
P-3C and P-3 CDU	Number of sorties	* 95
	Number of operational hours	* 770
Transit Zone International and Detection & Monitoring Maritime Programs		
P-3 A, B, C, and P-3 CDU	Number of sorties	* 637
	Number of operational hours	* 1,505
	Number of pounds seized	* 99,576
E-2C (MPA, AEW/MPA)	Number of sorties	* 188
	Number of operational hours	* 604
	Number of pounds seized	* 5,564

* Defense has not established targets for support external to the Department. As part of the refinement of its Performance Plan, Defense is assessing the feasibility of setting targets for its support functions.

Discussion

Source Zone Partner Nation Support

Defense maintains a primary focus on training and equipping partner nations to build their capacity to tackle narcoterrorism in their nations. In FY 2006, primary support was to Colombia and Afghanistan. In addition to aviation training in Colombia, Defense provided medical supplies and training, mobility support, increased intelligence support and counterterrorism equipment. It also provided infrastructure support to assist in Colombia's Plan Patriota, an aggressive offensive operation against the FARC and other narcoterrorist organizations. In Afghanistan, Defense continued to support counternarcotics operations. This assistance included training and equipping an Afghan Narcotics Interdiction Unit and other police forces, mobility support, and infrastructure. Communications equipment is in the process of being delivered to the field, which will be critical in establishing command and control and passing actionable intelligence. Training support was also provided to other partner nations including Ecuador, Panama, Paraguay, Mexico, Thailand, Philippines, Malaysia, and Pakistan.

Transit Zone

Defense provided assets to JIATF-South and JIATF-West in support of multi-agency counternarcotics detection and monitoring operations. These assets include aircraft, helicopters, naval ships, and radar-employed in concert with other assets from the U.S. Coast Guard (Coast Guard) and Immigration and Customs Enforcement. Defense also provides intelligence and communications support plus command and control for JIATFs-South and West. Defense assets usually have Coast Guard law enforcement detachments that actually conduct the lawful search and seizure of suspect narcotrafficking vessels.

Domestic Support

In addition to the drug seizure results depicted in the table, National Guard support to law enforcement resulted in over 81,000 arrests, as well as the confiscation of over 20,000 weapons, 1,000 vehicles, and \$218.0 million of currency from illicit drug traffickers. The National Guard supported the maintenance and management of four regional counternarcotics training centers that provided training for regional law enforcement agencies. Drug-related documents were translated into English by National Guard personnel in support of law enforcement efforts.

Demand Reduction

Defense is on track to keep the illicit drug positive rate below 2 percent. The actual active duty percent positive test rate for FY 2005 and FY 2006 was 1.11 percent and 1.14 percent, respectively. Defense continues to implement policy to ensure 100 percent random urine drug testing for all active, reserve, National Guard, and civilians.

DEPARTMENT OF EDUCATION



DEPARTMENT OF EDUCATION
Office of Safe and Drug-Free Schools and Communities

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Prevention	489.807	524.764	275.000
Total Drug Resources by Function	\$489.807	\$524.764	\$275.000
Drug Resources by Decision Unit			
Safe and Drug-Free Schools and Communities			
National Programs	143.307	173.122	175.000
<i>Researched-Based Grants to LEAs (non-add)</i>	<i>0.000</i>	<i>30.000</i>	<i>59.000</i>
<i>Safe Schools/Healthy Students (non-add)</i>	<i>79.200</i>	<i>79.200</i>	<i>79.200</i>
<i>Student Drug Testing (non-add)</i>	<i>10.380</i>	<i>10.380</i>	<i>16.850</i>
<i>Student Drug Testing Institute (non-add)</i>	–	–	1.000
State Grants Program	346.500	351.642	100.000
Total Drug Resources by Decision Unit	\$489.807	\$524.764	\$275.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	–	–	–
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$56.5	\$56.0	\$56.0
Drug Resources Percentage	0.87%	0.94%	0.49%

Program Summary

Mission

The Department of Education (Education) administers programs to help ensure that all students can meet challenging standards and improve elementary and secondary education including: special education and early intervention programs for children with disabilities; English language acquisition for limited English proficient and immigrant children; career, technical, and adult education; and higher education. In addition, Education carries out research, data collection, and civil rights enforcement activities. The programs funded under the Safe and Drug-Free Schools and Communities (SDFSC) Act comprise the only Education operations included in the Drug Control Budget.

The SDFSC program provides funding for research-based approaches to drug and violence prevention that promote the health and well being of students in elementary and secondary schools and in institutions of higher education. The program supports the prevention mission of the National Drug Control Strategy, which is to stop drug use before it starts. Under the SDFSC Act, funds may be appropriated directly for State Grants and for National Programs.

Budget

In FY 2008, Education requests \$275.0 million for drug control activities, which is a decrease of \$249.8 million from the FY 2007 level. This budget supports important Administration priorities, including the Student Drug Testing program and effective research-based prevention programs. Key Education programs are highlighted below.

National Programs

Total FY 2008 Request: \$175.0 million

(Includes +\$1.9 million in program changes)

SDFSC National Programs fund a variety of drug and violence prevention activities, primarily through grants to local educational agencies (LEAs), to help promote safe and drug-free learning environments for students. Examples include: drug prevention or school safety programs that are informed by scientifically based research or that use such research to demonstrate their effectiveness; comprehensive, community-wide “Safe Schools/Healthy Students” drug and violence prevention projects; and school-based drug testing for students. These programs are explained more fully below. SDFSC National Programs also authorizes: (1) mentoring programs; (2) Project SERV (School Emergency Response to Violence), a crisis response program that provides education-related services to LEAs in which the learning environment has been disrupted due to a violent or traumatic crisis; and (3) School Emergency Preparedness Initiatives. However, since these programs have no clear drug control nexus, funds for these three activities are not included in the Drug Control Budget.

The SDFSC National Programs is authorized by the Elementary and Secondary Education Act of 1965 and is, therefore, subject to reauthorization this year. Concurrent with the FY 2008 Budget request, the Administration proposes to reauthorize and consolidate SDFSC National Programs into a single, flexible discretionary program focused on four areas: (1) emergency management planning; (2) preventing violence and drug use; (3) school culture and climate, including character education; and, (4) other needs related to improving students’ learning environment. Under the reauthorized program, grantees would be required to implement interventions that reflect scientifically based research.

Research-Based Grants to LEAs

FY 2008 Request: \$59.0 million

(Includes +\$29.0 million in program changes)

The FY 2007 resources of \$30.0 million will be used to support research-based grant assistance to LEAs. With these funds, LEAs will be required either to carry out one or more drug or violence prevention programs, practices, or interventions that rigorous evaluation has demonstrated to be effective, or to carry out a rigorous evaluation of a promising program, practice, or intervention, thereby increasing the knowledge base of what works in the field. In making awards, Education will ensure the equitable distribution of grants among urban, suburban, and rural LEAs.

FY 2008 Program Changes (+\$29.0 million)

The Budget includes an increase of \$29.0 million for this program. Of the \$59.0 million requested for FY 2008, approximately \$30.0 million will fund an estimated 85 continuation grant awards for multi-year projects that begin in FY 2007.

The remaining \$29.0 million finances a second new cohort of 83 grants.

Safe Schools/Healthy Students

FY 2008 Request: \$79.2 million

(Includes no program changes)

The FY 2007 resources of \$79.2 million will allow the Safe Schools/Healthy Students program to continue to support LEAs and communities that develop and implement a comprehensive set of programs and services designed to prevent youth drug use and violence, support early childhood development activities, and provide student mental health services. The initiative also requires that major community systems serving students – schools, law enforcement, juvenile justice, and the local public mental health authority – work collaboratively to use data to assess needs and provide programs and services.

This initiative is administered jointly by the Departments of Education and Justice, and the Substance Abuse and Mental Health Services Administration at the Department of Health and Human Services. In FY 2007, these three agencies plan to implement significant changes to improve the operation of this initiative. Most significant among these changes is the effort to strengthen grant application requirements to ensure that applicants not only can demonstrate the commitment of required partners (LEA, local law enforcement, juvenile justice

agencies, and the local public mental health authority) to support the project if it receives funding, but also to demonstrate a preexisting partnership among these entities on issues of school safety, drug and violence prevention, and/or healthy childhood development. Applications would need to include a “logic model” that reflects, by project element, needs, gaps, goals, objectives, performance indicators, partnered roles, and proposed activities, curricula, and programs. The project period of the grants will be increased from 3 to 4 years to give grantees more time to accomplish their stated goals and objectives.

FY 2008 Program Changes (none)

The Budget does not propose any funding changes for this program.

Student Drug Testing

FY 2008 Request: \$16.9 million

(Includes +\$6.5 million in program changes)

The FY 2007 resources of \$10.4 million support Education in providing grants to LEAs and public and private entities to develop, implement, or expand school-based drug testing programs for students. The drug testing funded by these grants must be part of a comprehensive drug prevention program in the schools served and must provide for the referral to treatment or counseling of students identified as drug users. The projects must also be consistent with recent Supreme Court decisions regarding student drug testing and ensure the confidentiality of testing results. A portion of the funds support a national impact evaluation of random mandatory drug testing programs.

FY 2008 Program Changes (+\$6.5 million)

The Budget includes an increase of \$6.5 million for this program, which will support an estimated 100 additional new grants to expand the implementation of student drug testing programs.

Student Drug Testing Institute

FY 2008 Request: \$1.0 million

(Includes +\$1.0 million in program changes)

Supporting the implementation of successful student drug testing programs in schools is an important step in helping the Nation’s students remain healthy and ready to learn. An important aspect of Education’s leadership in this area is assisting schools in developing programs that are responsive to locals needs. In FY 2008,

the Department will establish a Student Drug Testing Institute whose mission will be to help schools develop, implement, and evaluate programs that exist as part of a broader prevention framework.

FY 2008 Program Changes (+\$1.0 million)

The Budget proposes the creation of a Student Drug Testing Institute, which will assist schools in developing, implementing, and evaluating student drug testing programs. It will also provide training, technical assistance, information on data collection and evaluation methods, and outreach to school districts in carrying out student drug testing programs.

Other National Program Activities

FY 2008 Request: \$18.95 million

(Includes –\$34.6 million in program changes)

FY 2007 funding of \$53.5 million includes: \$7.3 million in financial and technical assistance to institutions of higher education for drug prevention and campus safety programs; \$2.5 million for data management grants; \$32.4 million for Alcohol Abuse Reduction activities designed to implement research-based alcohol abuse prevention programs in secondary schools; and \$11.2 million for other activities that support and improve drug and violence prevention efforts, such as evaluation, data collection and analysis, development and dissemination of materials and information, and other forms of technical assistance.

FY 2008 Program Changes (–\$34.6 million)

The Budget proposes to eliminate the Alcohol Abuse Reduction program and includes reductions to impact evaluation and data management activities. Resources for institutions of higher education for drug prevention and campus safety programs for students attending such institutions are maintained.

State Grants Program

Total FY 2008 Request: \$100.0 million

(Includes –\$251.6 million in program changes)

Under current law, State Grants program funds are allocated by formula to states and territories, half on the basis of school-aged population and half on the basis of each state’s share of the prior-year’s federal funding for “Concentration Grants to LEAs for improving the academic achievement of disadvantaged students” under

section 1124A of Title I of the Elementary and Secondary Education Act (ESEA). Generally, Governors receive 20 percent and State Educational Agencies (SEAs) 80 percent, of each state's allocation. Governors may use funds to award competitive grants and contracts to LEAs, community-based organizations, and other public and private organizations for activities to provide safe, orderly, and drug-free schools and communities through programs and activities that complement and support activities of LEAs. SEAs are required to subgrant at least 93 percent of allocations to LEAs – subgrants are based 60 percent on LEA shares of prior-year funding under Part A, of Title I of the ESEA and 40 percent on enrollment. LEAs may use SDFSC State Grants funds for a variety of activities that seek to prevent or reduce violence and delinquency and the use, possession, and distribution of illegal drugs in schools.

The FY 2007 resources of \$351.6 million will support formula grants to SEAs and Governors, SEA sub-grants to LEAs, and Governors' award recipients under the current program structure.

FY 2008 Program Changes (–\$251.6 million)

The SDFSC State Grants program is authorized by the Elementary and Secondary Education Act of 1965 and is, therefore, subject to reauthorization this year. As part of No Child Left Behind reauthorization, the Administration is proposing to restructure significantly the SDFSC State Grants program. The Administration requests \$100.0 million in FY 2008 for the restructured program. Under the reauthorized program, the Department would allocate SDFSC State Grants funds by formula to SEAs. SEAs would use the funds to provide school districts with training, technical assistance, and information regarding effective models and strategies to create safe, healthy and secure schools that, to the extent possible, reflect scientifically based research, along with a limited number of sub-grants to high need districts.

A key difference between the program as proposed for reauthorization and the current program is that the reauthorized program would focus on building state capacity to assist school districts in creating safe, drug-free schools, and secure school environments. While states would be authorized to make subgrants to high need

LEAs and other entities, there would be no within-state formula and no expectation that every LEA in a state would receive a grant. Most funding to LEAs will be provided with National Programs funds for activities in areas of major national priority.

Performance

Introduction

This section on the FY 2006 performance of the SDFSC program is based on agency GPRA documents and the PART review of the State Grants program, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment of the SDFSC State Grants program, as well as performance measures, targets and achievements for the latest year for which data are available for SDFSC State Grants and National Programs.

The 2006 PART reassessment rated the SDFSC State Grants program as “Results Not Demonstrated,” noting that the structure of SDFSC is flawed, spreading funding too broadly to support quality, research-based interventions and failing to target schools and communities in greatest need of assistance. While the program currently has performance measures on the extent to which recipients of SDFSC State Grants program funds are implementing research-based practices and undertaking such programs with fidelity to the research, coupled with national survey data on the prevalence of drug use and violence, data are not yet available for all measures. Trend data are currently available only for the prevalence measures.

The Department has identified outcome measures for SDFSC National Programs grant competitions. In 2006, grantees reported baseline data for all of those measures. The Department has established performance targets for future years against those baselines.

Department of Education				
PART Review				
Year of Last Review: 2006		Rating Received: Results Not Demonstrated		
Evaluation Area	Score	Review Highlights		
Purpose	60	The structure of the program is flawed. It spreads funding too broadly to support quality interventions and fails to target schools and communities in greatest need of assistance.		
Planning	62			
Management	78			
Results	8			
Selected Measures of Performance (State Grants)			FY 2005 Target	FY 2005 Achieved
» Percent of students offered, sold, or given an illegal drug on school property during past 12 months.*			28	25
» Percent of students who used marijuana one or more times during past 30 days.*			21	20
» Percent of students in grades 9-12 who had five or more alcohol drinks in a row (within a couple of hours) one or more times during past 30 days.*			27	26
» Percent of drug and violence prevention programs/practices supported with SDFSC State Grants funds, that are research-based.			**	***
» Percent of drug and violence prevention programs/practices supported with SDFSC State Grants funds, implemented with fidelity.			**	***
Selected Measures of Performance (National Grants)			FY 2006 Target	FY 2006 Achieved
» Percent of Alcohol Abuse Reduction grantees whose target students show measurable decrease in binge drinking.			****	50
» Percent of Alcohol Abuse Reduction grantees showing measurable increase in percent of target students who believe alcohol abuse is harmful to their health.			****	56
» Percent of Alcohol Abuse Reduction grantees that show measurable increase in percent of target students who disapprove of alcohol abuse.			****	67
» Percent of Safe Schools/Healthy Students grant sites that experience a decrease in substance use during the 3-year grant period.			****	75
» Percent of grantees experiencing 5% annual reduction in incidence of drug use by students in target population served by grants.			****	33

* YRBS data available only biennially.

** Not established: 2005 is the baseline year and targets have been identified only for subsequent years.

*** 2005 baseline data expected in 2007.

**** Not Established: 2006 is the baseline year, and targets have been established only for subsequent years.

Note: Measures for the SDFSC State Grants program are based on national surveys. Measures for the SDFSC National Programs are based on an analysis of grantee performance reports.

Discussion

Education has completed data collection and is currently analyzing data as part of a study to determine the extent to which SDFSC State Grants program funds were used during the 2004-05 school year to support research-based programs and practices. When the study is completed in 2007, it will also report on the extent to which those programs were implemented with fidelity to the research. The findings from this study provide the baseline data for two of the SDFSC State Grants program performance measures in the table.

The Safe Schools/Healthy Students initiative provides support to local educational agencies to implement a comprehensive plan to create safe, disciplined, and drug-free environments. Although complete performance information for all grantees is not currently available, an example of positive outcomes can be found in Hiram, Maine (originally funded in August 2005). Through a combination of prevention activities, this district has reduced self-reported, 30-day alcohol use from a previous year baseline of 43 percent to 33 percent for 6th, 8th, & 10th graders. For the same time period, binge drinking (for the previous two weeks) decreased from 25 percent to 9 percent for 8th grade students, and from 23 percent to 18 percent for 10th grade students. In addition, previous 30-day use of inhalants decreased from 7 percent to 6 percent for 6th graders and from 12 percent to 3 percent for 8th graders.

DEPARTMENT OF HEALTH AND HUMAN SERVICES



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare and Medicaid Services

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Treatment	–	–	75.000
Total Drug Resources by Function	–	–	\$75.000
Drug Resources by Decision Unit			
Centers for Medicare and Medicaid Services	–	–	75.000
Total Drug Resources by Decision Unit	–	–	\$75.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0

Program Summary

Mission

The Centers for Medicare & Medicaid Services (CMS) mission is to ensure effective, up-to-date health care coverage and to promote quality care for beneficiaries. CMS helps to achieve the goals of the National Drug Control Strategy through support of screening and brief intervention services for those at risk for substance abuse.

Budget

CMS has added two new Healthcare Common Procedure Coding System (HCPCS) codes for alcohol & drug screening and brief intervention (SBI) that became effective on January 1, 2007. With anticipated state implementation in FY 2008, funding is estimated at \$75.0 million.

Centers for Medicare and Medicaid Services

Total FY 2008 Request: \$75.0 million
(Included +\$75.0 million in program changes)

Screening and Brief Intervention

FY 2008: \$75.0 million
(Includes +\$75.0 million in program changes)

The Administration has improved access to early intervention and treatment for substance abuse by adding two new Healthcare Common Procedure Coding System (HCPCS) codes for alcohol & drug screening and brief intervention (SBI). The first code, H0049, is for alcohol and/or drug screening. The second code, H0050, covers a brief intervention that is fifteen minutes in duration for alcohol and/or drug abuse. The codes became effective on January 1, 2007. It is anticipated that state implementation will begin in FY 2008.

SBI is a proven approach for reducing drug use. Having a code specific for drug and alcohol screening will promote implementation of structured screenings carried out in accordance with evidence-based practice standards. In addition, the availability of a code that directly covers brief intervention for substance abuse will advance the use of standardized and structured interventions and is likely to increase the frequency of SBI in clinical practice.

These new codes, which can be used by health care providers and states, will provide the opportunity for state Medicaid programs to pay for SBI services. These codes will also facilitate, for the first time, precise tracking of clinician adoption of these services across patient status and diagnosis. This information can in turn be employed to evaluate the effectiveness of these approaches and potentially identify areas for refinement and improvement.

FY 2008 Program Changes (+\$75.0 million)

The Office of National Drug Control Policy (ONDCP) worked with CMS Actuary to develop an estimated cost for these codes. The federal Medicaid cost under these assumptions is projected to be \$75.0 million in FY 2008. ONDCP plans to continue to work closely with the Centers for Medicare & Medicaid Services, states, and medical societies in educating states and clinicians about the SBI approach so as to expand state participation in FY 2009.

Performance

Introduction

CMS's codes for screening and brief intervention services are new activities planned for FY 2008. Performance measures will be identified after the program is established.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
National Institute on Drug Abuse

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate ¹	FY 2008 Request
Drug Resources by Function			
Prevention	409.931	410.400	410.550
Treatment	588.927	589.600	589.815
Total Drug Resources by Function	\$998.858	\$1,000.000	\$1,000.365
Drug Resources by Decision Unit			
National Institute on Drug Abuse	998.858	1,000.000	1,000.365
Total Drug Resources by Decision Unit	\$998.858	\$1,000.000	\$1,000.365
Drug Resources Personnel Summary			
Total FTEs (direct only)	361	366	371
Drug Resources as a Percent of Budget			
Total Agency Budget	\$998.858	\$1,000.000	\$1,000.365
Drug Resources Percentage	100.00%	100.00%	100.00%

¹ The FY 2007 level does not include approximately \$0.6 million for NIH internal program adjustments.

Program Summary

Mission

Research on drug abuse over the past thirty years has brought us a deeper understanding of the disease of addiction, allowing us to develop more targeted strategies for its prevention and treatment. This is the National Institute on Drug Abuse's (NIDA) continuing priority. Therefore, NIDA's goals must be both short- and long-term: to address the needs of people already suffering from drug abuse and addiction while at the same time developing the knowledge that will lead to more effective prevention and treatment of drug abuse and addiction in the future. The research also requires investigation of strategies that will ensure the "translation" of prevention or therapeutic interventions for the communities that can benefit from them.

While multiple challenges remain to fulfill this mission, many new opportunities have dawned to help overcome

them. The challenges are familiar ones: high rates of drug abuse and low rates of treatment; lack of physician participation in identifying and treating substance abuse; lack of treatment integration with health care programs and major medical insurers; and lack of pharmaceutical industry involvement in developing anti-addiction medications. The opportunities, on the other hand, promise proactive approaches that can help overcome these obstacles through the application of revolutionary genetics and molecular biology tools, modern brain imaging technology, ground-breaking knowledge on brain development, and promising preclinical and clinical trials of anti-addiction medications and novel behavioral treatments.

Budget

In FY 2008, NIDA requests \$1.0 billion, which is an increase of \$0.4 million from FY 2007. Key programs are highlighted below.

Current Drug Abuse Prevalence

Knowledge from scientific research on drug abuse and addiction has prompted notable shifts in attitudes and behaviors toward drugs. According to the Monitoring the Future Study (MTF), approximately 840,000 fewer young people are using illicit drugs today than in 2001—an impressive 23 percent reduction. Further, SAMHSA found that the use of nicotine is now lower than at any time since MTF of students began in 1975. Nevertheless, in 2005, an estimated 19.7 million Americans aged 12 and older were current (noted as “past month” in the survey) illicit drug users.² And, according to MTF, almost 50 percent of 12th graders will have tried an illicit drug by the time they graduate from high school. These are unacceptably high numbers rendered even more problematic in that drugs of abuse may be especially deleterious to adolescent brains.

Addressing the Latest Trends

Prescription drugs. Drug abuse can apply to more than abuse of illicit substances. In fact, the MTF reports in 2006 that roughly one in ten 12th graders used the prescription pain reliever Vicodin nonmedically during the past year—abuse second only to marijuana. In general, prescription drug abuse is a problem that appears to be increasing in certain populations, and therefore is the subject of several NIDA initiatives.

Physician Outreach. NIDA is undertaking a Physician’s Outreach Initiative to engage the medical community in identifying substance abuse problems, including prescription drug abuse, in their patients and to raise awareness of substance abuse and addiction as a primary care health issue. NIDA will (1) work with the Office of National Drug Control Policy (ONDCP) to increase drug abuse training for physicians; (2) partner with the American Medical Association to improve physician-patient communication about substance abuse; and (3) sponsor four National Centers of Excellence in Physician Information to conduct research and develop messages and dissemination avenues for medical students, primary care, and family practice residents to raise awareness of substance abuse issues and of NIDA as a resource.

Methamphetamine. NIDA is pursuing several different therapeutic approaches to address methamphetamine use, including both medications and behavioral therapies aimed at abstinence, relapse prevention, and cognitive dysfunction caused by long-term abuse.

Drug abuse and HIV/AIDS. HIV/AIDS, in which drug abuse is a major factor, continues to disproportionately affect African Americans and other minority populations. To overcome identified obstacles for differentially affected populations, NIDA released two program announcements in 2006 calling for drug abuse and mental health research on HIV/AIDS among African Americans, along with research on criminal-justice-related health disparities in this population.

New Directions in Drug Abuse Research

New knowledge is leading us to new solutions that address the multiple factors contributing to addiction. For example, an exciting new initiative being undertaken with the National Cancer Institute (NCI) will examine the interplay of gene-environment-development interactions and promises to aid in mitigating developmental risk. Fascinating results are already emerging from both basic and clinical social neuroscience studies, where non-invasive brain imaging techniques are providing information on the brain circuits involved in social behaviors and how these are affected by drug abuse.

Advances in neuroscience research, which yield a more accurate understanding of addiction as a chronic disease of the brain, have also inspired new approaches to treatment. Whereas formerly, medications development efforts zeroed in on the chemical dopamine and the brain reward system, therapeutic approaches are now also focusing on other brain circuits (memory, executive control, motivation), other neurotransmitter systems (cannabinoids, GABA, glutamate), and other strategies (vaccines, slow-release delivery systems).

For behavioral approaches, NIDA is encouraging investigators to evaluate the use of functional imaging technologies to optimize cognitive behavioral interventions (i.e., to develop messages that activate brain regions promoting greater acceptance) and to use neurofeedback to strengthen targeted brain circuits. The latter approach was shown to be useful in teaching subjects to decrease their emotional reaction to pain by activating brain areas that control emotions.

National Institute on Drug Abuse

Total FY 2008 Request: \$1.0 billion
(Included +\$0.4 million in program changes)

Clinical and Basic Neuroscience and Behavioral Research

Total FY 2008: \$429.1 million
(Includes no program changes)

The \$429.1 million in FY 2007 support NIDA's clinical and basic neuroscience and behavioral research. Clinical and basic neuroscience and behavioral research represent two programs in NIDA that work together to enlarge the understanding of neurobiological, genetic, and behavioral factors that underlie drug abuse and addiction. Specifically, they examine the factors affecting increased risk and/or resilience to drug abuse, addiction, and drug-related disorders; the mechanisms of addiction; and the effects of drugs on the brain and behavior. Together, they provide the fundamental information needed to develop and inform prevention and treatment interventions for drug abuse and addiction.

FY 2008 Program Changes (none)

While total program funding for Clinical and Basic Neuroscience and Behavioral Research remains unchanged from the prior year, NIDA will undertake several new initiatives in FY 2008. These are highlighted below.

In FY 2008, NIDA plans to include several targeted initiatives to stimulate research in emerging scientific areas or those under-represented in the current research portfolio. NIDA will expand its portfolio to investigate the social brain, to include studies on genetics, molecular biology, behavioral pharmacology, and brain imaging. Plus, NIDA will advance a Genes, Environment, and Development Initiative to solicit research investigating the interplay among these variables in the etiology of substance abuse in humans. NIDA will also encourage and support the development of next generation technologies needed to identify and catalogue the myriad functional changes to the DNA (i.e., epigenetic modifications) that can result from exposure to a wide range of environmental variables, such as quality of parenting. NIDA will call for studies of medications and genetic interventions to facilitate the "unlearning" or extinction of conditioned drug responses—often the promoters of relapse

to drug abuse. Resulting research will be used to guide and implement combined behavioral and pharmacological interventions to enhance drug abuse treatment and reduce relapse. Finally, NIDA promotes research to foster the development of more effective HIV prevention interventions, targeting the role of drug abuse on HIV transmission and acquisition.

Epidemiology, Services and Prevention Research

FY 2008: \$249.4 million
(Includes –\$0.2 million in program changes)

The \$249.6 million provided in FY 2007 will promote integrated approaches to understand and address the interactions between individuals and environments that contribute to the continuum of problems related to drug abuse. The vision is to support research to prevent drug abuse and optimize service delivery in real-world settings.

FY 2008 Program Changes (–\$0.2 million)

While the Budget includes a reduction in resources for FY 2008, key research will continue to be supported. These areas are highlighted below.

In FY 2008, NIDA will continue to support targeted research on how drug abuse treatment and criminal justice systems interact through the Criminal Justice Drug Abuse Treatment Research Studies (CJ-DATS). To further this research, centers within CJ-DATS will be re-competed in FY 2008. Another major area is prescription drug abuse. NIDA will address it through a multi-pronged strategy that includes epidemiological studies and basic, preclinical, and clinical research, including: (1) a collaboration with the National Institute on Aging and the National Institute of Dental and Craniofacial Research on a major solicitation (estimated at \$3 million for FY 2008) for cross-disciplinary studies to investigate the use of opioids for pain treatment and to better understand the nexus of abuse and addiction to them; and (2) research on the development of therapeutic agents with reduced abuse liability. Examining factors that predispose or protect against opioid abuse and addiction will help develop screening and diagnostic tools for primary care physicians to assess the potential for prescription drug abuse in their patients. Other

tools being developed include those needed to assess the impact of social environmental variables on decision-making and drug abuse risk by looking at social setting, parenting, education, neighborhood, and public policies. NIDA is encouraging research on the use of the Internet and other web-based communication strategies to acquire information that can be integrated into prevention efforts.

Pharmacotherapies and Medical Consequences

FY 2008 Request: \$116.6 million
(Includes no program changes)

The \$116.6 million provided in FY 2007 will support NIDA developing medications aimed at helping people recover from drug abuse and addiction and sustain abstinence. Capitalizing on research showing the involvement of many different brain systems, beyond the dopamine system, in drug abuse and addiction, NIDA's medications development approach is pursuing newly defined targets and approaches to treatment. This program area also seeks solutions for the medical consequences of drug abuse and addiction, including infectious diseases such as HIV.

FY 2008 Program Changes (none)

Aggregate funding for this activity will be maintained in FY 2008. While the Budget includes no funding changes, key research will continue to be supported. These areas are highlighted below.

In FY 2008, highest priority will go to testing promising and novel therapies for different drugs of abuse, particularly stimulants and cannabis. To allow NIDA to be more nimble in its approach to developing medications, the program plans to test more compounds originating in the lab than in the marketplace. In a similar vein, NIDA has a FY 2007 Request for Applications (RFA) to stimulate research for the design, synthesis, and pharmacological evaluation of new classes of compounds as potential treatment agents for cocaine, methamphetamine, or cannabinoid addiction. NIDA's medication development efforts are also capitalizing on several innovative treatment approaches that have proven feasible and are now progressing to more advanced stages of research and development. Projects in this context include work on

medications designed to diminish conditioned responses, promote new learning, and inhibit stress-induced relapse. Another alternative strategy for treating drug addiction is immunotherapy. Unlike conventional small molecule therapy, which targets the neural pathways/receptors involved in drug addiction, immunotherapy targets the drug itself. Addiction immunotherapies would cause the body to generate antibodies that bind specific drugs while they're still in the bloodstream, blocking their entry into the brain. NIDA has released a FY 2007 RFA to support activities aimed at generating the data needed to submit an Investigational New Drug application to the Food and Drug Administration for Phase I clinical trials of candidate vaccines for methamphetamine addiction.

Clinical Trials Network

FY 2008 Request: \$54.4 million
(Includes no program changes)

The FY 2007 resources of \$54.4 million will support NIDA's Clinical Trials Network. NIDA's National Drug Abuse Treatment Clinical Trials Network (CTN), which now comprises 17 research nodes and more than 240 individual community treatment programs, serves 34 States plus the District of Columbia and Puerto Rico. Plus, it tests the effectiveness of new and improved interventions in real-life community settings with diverse populations. The CTN also serves as a platform to help NIDA respond to emerging public health needs. Ongoing partnerships with agencies such as the Substance Abuse and Mental Health Administration (SAMHSA) and with Single State Authorities help ensure that promising findings are translated into practice. The CTN serves as an effective research platform for 31 additional research grants and a training platform for 60+ research fellows and junior faculty.

FY 2008 Program Changes (none)

Aggregate funding for this activity will be maintained in FY 2008. While the Budget includes no funding changes, key research will continue to be supported. These areas are highlighted below.

In FY 2008, NIDA will re-compete some of the CTN nodes, or centers and continue support of CTN trials evaluating promising medications and other treatment approaches in diverse patient populations. For example, CTN studies

focusing on comorbid conditions include: (1) testing a slow-release form of methylphenidate (i.e., Ritalin) to help drug-abusing adolescents and adult smokers with attention deficit hyperactivity disorder achieve abstinence and (2) assessing interventions to reduce HIV risk behaviors and other sexually transmitted infection among at-risk populations in community drug treatment settings. NIDA is also eager to advance new HIV rapid-screen technologies and counseling in CTN-affiliated community treatment programs and is also testing HIV screening practices in the criminal justice system through CJ-DATS. Another treatment protocol to be tested in NIDA's CTN in FY 2008 will evaluate the effectiveness of a 12-step facilitation intervention to foster the initiation of and lasting involvement with the traditional fellowship activities of such groups as Alcoholics or Cocaine Anonymous and thus achieve prolonged abstinence.

Intramural Research Program

FY 2008 Request: \$81.2 million

(Includes –\$0.6 million in program changes)

The FY 2007 resources of \$81.8 million support NIDA's Intramural Research program. NIDA's Intramural Research Program (NIDA-IRP) performs cutting edge research within a coordinated multidisciplinary framework. NIDA-IRP attempts to elucidate the nature of the addictive process; to determine the potential use of new therapies for substance abuse, both pharmacological and psychosocial; and to decipher the long-term consequences of drugs of abuse on brain development, maturation, function, and structure, and on other organ systems.

FY 2008 Program Changes (–\$0.6 million)

While the Budget includes a reduction in resources for FY 2008, key research will continue to be supported. These areas are highlighted below.

In FY 2008, NIDA will use \$81.2 million to support ongoing programs covering a wide variety of drug abuse and addiction issues. Resources will fund basic research on the actions and consequences of abuse of marijuana, opioids, cocaine, methamphetamine, and ecstasy; the development/improvement of drug detection devices; the relationship between drug abuse

and obesity; comorbid drug abuse and mental illness; and the development of medications and other treatments for drug abuse and addiction. A study exemplary of research conducted at the IRP has uncovered the ability of different brain receptor types to combine and thereby generate a broader range of neuronal responses once specific molecules bind to them—presenting exciting possibilities for dramatically expanding the range of medication options. NIDA-IRP is instrumental in understanding the mechanisms of methamphetamine-induced neuronal apoptosis (a type of cell death), including which genes are up-regulated or down-regulated in response to the drug. Understanding these mechanisms will help identify potential target molecules that can be either blocked or enhanced to prevent, treat, or mitigate the damage caused by methamphetamine.

Research Management and Support

FY 2008 Request: \$56.4 million

(Includes +\$0.6 million in program changes)

The FY 2007 resources of \$55.9 million fund NIDA Research, Management and Support (RMS). NIDA RMS activities provide administrative, budgetary, logistical, and scientific support in the review, award, and monitoring of research grants, training awards, and research and development contracts. RMS functions also encompass strategic planning, coordination, and evaluation of NIDA's programs, regulatory compliance, international coordination, and liaison with other Federal agencies, Congress, and the public.

FY 2008 Program Changes (+\$0.6 million)

The Budget proposes an increase for the program. This increase, in addition to existing resources, will allow NIDA to continue to develop informational products, such as research reports and public service announcements, on various drugs of abuse. These materials are aimed at diverse audiences, including the general public, HIV high-risk populations, and educators. Outreach activities to physicians and to NIDA's constituency groups help raise awareness of substance abuse issues and get the word out with regard to promising prevention and treatment strategies.

NIH Roadmap for Medical Research

FY 2008 Request: \$13.2 million

(Includes +\$1.2 million in program changes)

The NIH Roadmap for medical research is a series of progressive initiatives that seek to transform the nation's biomedical research capabilities and accelerate the advancement of research discoveries from the bench to the bedside. All Institutes, including NIDA, are involved in this endeavor. The Roadmap for medical research is composed of three overarching themes: new pathways to discovery, research teams of the future, and re-engineering the clinical research enterprise. All three of these broad initiatives have current and future funding opportunities associated with them, for which NIDA grantees can apply.

FY 2008 Program Changes (+\$1.2 million)

The Budget includes \$1.2 million increase for this program.

Performance

Introduction

This section on the FY 2006 performance of NIDA is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment as well as performance measures, targets and achievements for the latest year for which data are available.

NIH's AIDS, Extramural Research, Intramural Research, and Training programs, which include NIDA programs, have been assessed in 2003, 2004, 2005 and 2006 through PART reviews. The AIDS portfolio was found to be "Moderately Effective" and the Extramural, Intramural, and Training programs were rated "Effective." To ensure adequate representation of NIH's commitment to the coordination of research efforts across NIH, the goals articulated in NIDA's GPRA documents reflect NIH's broad and balanced portfolio of research. NIDA goals encompass the agency's activities while also reflecting trans-NIH foci.

In addition to participating in a number of trans-NIH scientific research outcome (SRO) goals that are reported through the NIH GPRA process, NIDA is the lead Institute on two drug abuse specific goals. The first, "By 2008, develop and test two new evidence-based treatment

approaches for drug abuse in community settings," will bring more drug addiction treatments from "bench to bedside." The second goal, "By 2009, identify 1 or 2 new medication candidates to further test and develop for the treatment of tobacco addiction," will help address the enormous costs and consequences of tobacco addiction to our society and the inadequacy of current treatment strategies.

Discussion

NIDA is a lead contributor toward NIH's scientific research goal of developing and testing evidence-based treatment approaches for specialized populations in community treatment settings. Using the Clinical Trials Network (CTN), NIDA enrolled more than 1,100 patients in the Brief Strategic Family Therapy (BSFT), Motivational Enhancement Therapy (MET), and Seeking Safety interventions, which are being tested in community settings. Treatments are being delivered to diverse communities that are 20 percent African-American and 43 percent Hispanic (BSFT); 34 percent African-American and 7 percent Hispanic (MET); and 41 percent African-American and 14 percent Hispanic, respectively.

In 2006, great strides were made in understanding better, how to prevent and treat methamphetamine abuse. NIDA researchers recently demonstrated that universal drug abuse prevention programs that focus on strengthening families and enhancing life skills can significantly reduce methamphetamine abuse among rural youth even 6 years after the intervention occurred. For those already in the grip of methamphetamine addiction, NIDA is pursuing therapeutic approaches including medications and behavioral treatments. A recent study through CTN showed that a behavioral treatment known as Motivational Incentives for Enhancing Drug Abuse Recovery (MIEDAR) is effective in achieving sustained abstinence from methamphetamine abuse. MIEDAR is currently being developed for dissemination to community treatment providers through NIDA's collaborative Blending Initiative with SAMHSA.

National Institute on Drug Abuse		
PART Review		
Year of Last Review: 2004	Reviewed as part of NIH Extramural Research Programs	
Year of Last Review: 2005	Reviewed as part of NIH Intramural Research Programs	
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Recruit trial participants to test 2 community-based treatments.	1,000	1,100+
» Begin clinical trials of a candidate medication for tobacco addiction.	1	4

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Substance Abuse and Mental Health Services Administration

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Prevention	562.650	563.029	526.823
Treatment	1,878.206	1,879.455	1,833.538
Total Drug Resources by Function	\$2,440.856	\$2,442.484	\$2,360.361
Drug Resources by Decision Unit ¹			
PRNS Prevention	192.767	192.902	156.461
<i>Strategic Prevention Framework - State Incentive Grants (non-add)</i>	<i>105.844</i>	<i>105.462</i>	<i>95.389</i>
PRNS - Treatment	398.675	398.949	352.090
<i>Access to Recovery (non-add)</i>	<i>98.208</i>	<i>98.208</i>	<i>98.000</i>
<i>Screening, Brief Intervention, Referral, and Treatment (SBIRT) (non-add)</i>	<i>29.624</i>	<i>29.624</i>	<i>41.151</i>
<i>Adult, Juvenile, and Family Drug Courts (non-add)</i>	<i>10.094</i>	<i>10.117</i>	<i>31.817</i>
Substance Abuse Prevention and Treatment Block Grant ²	1,757.425	1,758.591	1,758.591
Program Management ³	91.989	92.042	93.219
Total Drug Resources by Decision Unit	\$2,440.856	\$2,442.484	\$2,360.361
Drug Resources Personnel Summary			
Total FTEs (direct only)	465	480	480
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$57.9	\$56.2	\$56.0
Drug Resources Percentage	0.85%	0.93%	0.49%

¹ Includes both Budget Authority and PHS Evaluation funds. PHS Evaluation Fund levels are as follows: \$120.9 million in FY 2006, \$120.9 million in FY 2007, and \$121.2 million in FY 2008.

² Consistent with ONDCP guidance, the entire Substance Abuse Block Grant, including funds expended for activities related to alcohol is included in the Drug Budget. The Block Grant is distributed 20 percent to prevention and 80 percent to treatment.

³ Consistent with ONDCP guidance, all SAMHSA Program Management funding is included. Program Management is distributed 20 percent to prevention and 80 percent to treatment.

Program Summary

Mission

SAMHSA's mission is to build resilience and facilitate recovery for people with, or at risk for, substance abuse and mental illness. SAMHSA supports the National Drug Control Strategy through a broad range of programs focusing on prevention and treatment of drug abuse. These programs, which include the Substance Abuse Prevention and Treatment (SAPT) Block Grant, as well as the competitive Programs of Regional and National Significance (PRNS), are administered through the Center for Substance Abuse Prevention (CSAP) and the Center for Substance Abuse Treatment (CSAT).

Budget

In FY 2008, SAMHSA requests a total of \$2,360.4 million for drug control activities, which is a reduction of \$82.1 million from FY 2007 level. The Budget directs resources to activities that have demonstrated improved health outcomes and increase capacity, and terminates or reduces less effective or redundant activities. SAMHSA has four major drug-related decision units: Substance Abuse Prevention PRNS, Substance Abuse Treatment PRNS, the Substance Abuse Prevention and Treatment Block Grant, and Program Management.

Programs of Regional and National Significance – Prevention

Total FY 2008 Request: \$156.5 million

(Includes –\$36.4 million in program changes)

CSAP PRNS programs are organized into two categories: 1) Capacity, and 2) Science to Service. Several important drug-related programs within these categories are detailed below.

Prevention Capacity Activities

Capacity activities include service programs, which provide funding to implement service improvement using proven evidence-based approaches, and infrastructure programs, which identify and implement needed systems changes. A major drug-related program included in this category is the Strategic Prevention Framework-State Incentive Grants (SPF-SIGs).

Strategic Prevention Framework-State Incentive Grants (SPF-SIGs)

FY 2008 Request: \$95.4 million

(Includes –\$10.1 million in program changes)

The FY 2007 resources of \$105.5 million for SPF-SIG support 42 grants to states and tribes and several contracts. CSAP's SPF-SIG uses a public health approach that supports the delivery of effective programs, policies and practices to prevent substance use disorders. It is an approach that can be embraced by multiple agencies and levels of government that share common goals. It emphasizes: developing community coalitions; assessing problems, resources, risk and protective factors; developing capacity in states and communities; implementing evidenced-based programs with fidelity; and monitoring, evaluating, and sustaining those programs.

FY 2008 Program Changes (–\$10.1 million)

The Budget includes a \$10.1 million reduction for SPF-SIG. Funding will support the continuation of 42 grants and 3 contracts. At least eighty-five percent of SPF-SIGs fund community-level organizations, including faith-based organizations.

Other Prevention Capacity Programs

FY 2008 Request: \$47.9 million

(Includes –\$6.1 million in program changes)

The FY 2007 Budget includes resources of \$54 million for Workplace programs, the Substance Abuse Prevention/Minority AIDS Initiative Grants (SAP/MAI), Methamphetamine Prevention, and Program Coordination. In FY 2007 resources of \$39.4 million were provided for CSAP's SAP/MAI effort, which uses a 2-tier approach to expand the capacity of community-based organizations in combating HIV/AIDS in minority communities. Activities include planning and infrastructure development and prevention intervention services delivery. The program seeks to expand and sustain the capacity of community-based organizations to provide substance abuse prevention, HIV prevention and hepatitis prevention services.

FY 2008 Program Changes (–\$6.1 million)

Reductions in Workplace programs and Program Coordination are proposed. The FY 2008 level would maintain all current grants, but would not continue workforce and program coordination grants coming to a natural end. The FY 2008

level supports 67 new HIV/AIDS prevention grants. With increased access to SAMHSA's new rapid HIV testing methodology through its program sites, more high-risk minority populations can be identified and screened. The FY 2008 Budget also funds a new cohort of Methamphetamine prevention grants. These grants focus on building capacity and infrastructure at the community level to support community interventions to change attitudes and norms regarding use of methamphetamine and inhalants.

Prevention Science to Service Activities

Science to Service Activities promote the identification and increase the availability of practices thought to have the potential for broad service improvement. A major drug-related program included in this category is the National Registry of Evidence-based Programs and Practices.

National Registry of Evidence-Based Programs and Practices

FY 2008 Request: \$0.7 million

(Includes +\$0.1 million in program changes)

The FY 2007 resources of \$0.6 million will support the National Registry of Evidence-Based Programs and Practices (NREPP). NREPP is a system designed to support informed decision making and to disseminate timely and reliable information about interventions that prevent and/or treat mental and substance use disorders. The NREPP system allows users to access descriptive information about interventions, as well as peer-reviewed ratings of outcome-specific evidence across several dimensions. NREPP provides information to a range of audiences, including service providers, policy makers, program planners, purchasers, consumers, and researchers.

FY 2008 Program Changes (+\$0.1 million)

The Budget includes an increase of \$0.1 million. The new NREPP web site provides an array of descriptive information on all reviewed interventions, as well as quantitative ratings (on zero to four scales) for two important dimensions - strength of evidence, and readiness for dissemination. The new web site will also have the capacity to generate customized searches on one or multiple factors including specific types of outcomes, types of research designs, intervention costs, populations and/or settings, as well as the

two quantitative dimensions (strength of evidence and readiness for dissemination). This will allow states and communities to identify which factors are most important or relevant to them in the selection of interventions, and customize a search to yield only these interventions (e.g., interventions reducing underage drinking evaluated using an RCT design, and achieving a 3 out of 4 scale on both the strength of evidence and readiness for dissemination dimensions).

Other Prevention Science to Service Programs

FY 2008 Request: \$12.6 million

(Includes -\$20.4 million in program changes)

The FY 2007 Budget provides resources of \$32.9 million in support of: the Fetal Alcohol Spectrum Disorder program; the Center for the Advancement of Prevention Technologies; the SAMHSA Health Information Network; Evidence Based Practices; Dissemination and Training; Best Practices Program Coordination; and the Minority Fellowship Program.

FY 2008 Program Changes (-\$20.4 million)

The Budget provides \$12.6 million to continue Fetal Alcohol Spectrum Disorder grants and the SAMHSA Health Information Network. The Budget proposes eliminating funding for the remaining Prevention Science to Service programs. These activities are less effective and the goals are accomplished through other SAMHSA or government activities.

Programs of Regional and National Significance – Treatment

Total FY 2008 Request: \$352.1 million

(Includes -\$46.9 million in program changes)

CSAT PRNS programs are also organized into two categories: 1) Capacity, and 2) Science to Service. Several important drug-related programs within these categories are detailed below.

Treatment Capacity Activities

As stated above, capacity activities include services programs, which provide funding to implement service improvement using proven evidence-based approaches, and infrastructure programs, which identify and implement needed systems changes. Key activities included in this category are: Access to Recovery (ATR); Screening, Brief Intervention, Referral, and Treatment (SBIRT) initiatives; and Adult, Juvenile, and Family Drug Courts.

Access to Recovery

FY 2008 Request: \$98.0 million

(Includes –\$0.2 million in program changes)

The FY 2007 resources for ATR include \$98.2 million to support a new cohort of grants. Within this amount, \$25.0 million supports treatment for clients using methamphetamine.

ATR is designed to: (1) allow recovery to be pursued through personal choice and many pathways; (2) require grantees to manage performance based outcomes that demonstrate client successes; and, (3) expand capacity by increasing the number and types of providers who deliver clinical treatment and/or recovery support services. The program is administered through State Governor's Offices, recognized Tribal Organizations, or through the Single State Authority overseeing substance abuse activities. ATR uses vouchers, coupled with state flexibility and executive discretion, to offer an unparalleled opportunity to create profound positive change in substance abuse treatment and recovery service delivery across the Nation.

FY 2008 Program Changes (–\$0.2 million)

The Budget includes a reduction of \$0.2 million for ATR. The program seeks to serve 55,000 annually, an increase of 32 percent from the original cohort of ATR grantees. Data from the current 15 grantees shows, as of September 30, 2006, 117,616 clients had received services, exceeding the 75,000 target. Recovery support services account for approximately 50 percent of dollars redeemed, including family services, transportation, housing services, and education.

Screening, Brief Intervention, Referral, and Treatment Activities

FY 2008 Request: \$41.2 million

(Includes +\$11.5 million in program changes)

The FY 2007 resources specifically designated for SBIRT activities total \$29.6 million, which supports continuations of grants and contracts. The SBIRT grant program uses cooperative agreements to expand and enhance a state or Tribal Organization's continuum of care by adding screening, brief intervention, referral, and treatment services within general medical settings. In addition, by providing consistent linkages with the specialty treatment system, the SBIRT approach is expected to result in systems and policy changes, which will increase substance abuse treatment access in both the generalist and specialist sectors.

FY 2008 Program Changes (+\$11.5 million)

The Budget proposes \$41.2 million for SBIRT activities, an increase of \$11.5 million over the FY 2007 level. Of the total, \$13.1 million supports the continuation costs of existing grants and contracts; \$10.0 million will support three new grants to states; \$5.0 million will support 18 new grants for campuses; \$7.5 million will support eight new grants to medical schools; \$2.5 million will support 12 new grants to school districts, Community Health Clinics serving Native Americans, and participants in major cities; and \$3.0 million supports new contracts for technical assistance and Training Summits. In total, 41 new SBIRT grants will be funded.

Adult, Juvenile, and Family Drug Courts

FY 2008 Request: \$31.8 million

(Includes +\$21.7 million in program changes)

The FY 2007 resources of \$10.1 million will support efforts to combine the sanctioning power of courts with effective treatment services to break the cycle of child abuse/neglect, criminal behavior, in addition to alcohol and/or drug abuse. The purpose of Adult, Juvenile, and Family Drug Court grants is to supply funds to treatment providers and the courts to provide alcohol and drug treatment, wrap-around services supporting substance abuse treatment, assessment, case management, and program coordination to those in need of treatment drug court services. Priority for the use of the funding will be given to addressing gaps in the continuum of treatment.

FY 2008 Program Changes (+\$21.7 million)

The Budget includes a \$21.7 million increase over the FY 2007 level. These resources will triple the number of drug court grants from FY 2006.

Other Treatment Capacity Programs

FY 2008 Request: \$168.1 million

(Includes –\$63.6 million in program changes)

The FY 2007 Budget includes resources of \$231.7 million for a number of Treatment Capacity programs including: the Co-occurring State Incentive Grants; Opioid Treatment Programs and Regulatory Activities; Program for Pregnant & Postpartum Women; Strengthening Treatment, Access & Retention; Recovery Community Support Program; Children, Adolescent, and Family Programs; Treatment Systems for Homeless; the Minority

AIDS Initiative; Criminal Justice Activities; Program Coordination and Evaluation; and Clinical Technical Assistance.

FY 2008 Program Changes (–\$63.6 million)

The Budget includes a reduction of \$63.6 million and focuses resources on activities that directly demonstrate improvements in substance abuse outcomes and increase capacity. The Budget eliminates or reduces less effective or redundant activities such as Strengthening Treatment, Access & Retention and Clinical Technical Assistance.

Treatment Science to Service Activities

As stated above, Science to Service Activities promote the identification and increase the availability of practices thought to have the potential for broad service improvement. A major drug-related program included in this category is the Addiction Technology Transfer Centers (ATTCs).

Treatment Science To Service

FY 2008 Request: \$13.1 million

(Includes –\$16.2 million in program changes)

The FY 2007 Budget includes resources for Treatment Science to Service programs including: the Minority Fellowship Program; Special Initiatives and Outreach; Addiction Technology Transfer Centers, State Service Improvement; Information Dissemination; the National Registry of Evidence-Based Programs & Practices; the SAMHSA Health Information Network; Program Coordination And Evaluation; and Technical Assistance.

In particular, the ATTC program supports training and technology transfer activities to promote the adoption of evidence-based practices in substance use disorder treatment and, more broadly, to promote workforce development in the addiction treatment field. The ATTC Network operates as 14 individual Regional Centers serving the 50 States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and the Pacific Islands and a national office to upgrade the skills of existing practitioners and other health professionals and to disseminate the latest science to the treatment community. The resources are expended to create a multitude of products and services that are timely and relevant to the many disciplines represented by the addiction treatment workforce. At the regional level, individual centers focus primarily on meeting the unique

needs in their areas while also supporting national initiatives. The national office implements national initiatives and supports and promotes regional efforts.

FY 2008 Program Changes (–\$16.2 million)

The Budget proposes a net reduction of \$16.2 million. Resources will fully fund all grant continuations. The 2008 Budget request will continue to support workforce needs, and emerging issues. Previous grants have focused on HIV/AIDS, academic preparation, workforce development, veterans, and methamphetamine abuse. The Budget includes increased funding for the National Registry of Evidence-Based Programs & Practices and the SAMHSA Health Information Network.

Substance Abuse Prevention and Treatment Block Grant:

Total FY 2008 Request: \$1.8 billion

(Includes \$0 million in program changes)

The overall goal of the SAPT Block Grant is to support and expand substance abuse prevention and treatment services, while providing maximum flexibility to states. States and territories may expend their funds only for the purpose of planning, carrying out, and evaluating activities related to these services. States may provide SAPT Block Grant funds to community and faith based organizations to provide services. Of the amounts appropriated for the SAPT Block Grant, 95 percent are distributed to states through a formula prescribed by the authorizing legislation. Factors used to calculate the allotments include total personal income; state population data by age groups (total population data for territories); total taxable resources; and a cost of services index factor. Remaining funds are used for data collection, technical assistance, and program evaluation, which are retained by SAMHSA for these purposes. The set-aside is distributed among CSAP, CSAT, and the SAMHSA Office of Applied Studies for purposes of carrying out the functions prescribed by the SAPT Block Grant legislation.

The FY 2007 resources of \$1.8 billion will support block grant awards to 60 eligible states, territories, the District of Columbia, and the Red Lake Indian Tribe of Minnesota. These resources will support approximately 2 million treatment episodes.

FY 2008 Program Changes (\$0 million)

While the overall funding level for the Block Grant remains unchanged, the Budget includes two elements worth highlighting. First, the FY 2008 Budget enhances accountability and improves performance outcomes by requiring States to report on National Outcome Measures (NOMs) linked to Block Grant funds. Comprehensive reporting on defined national outcome measures by all states will improve the quality of substance abuse services. Many states have been reporting on certain measures since FY 2002. States that do not report on NOMs for the SAPT Block Grant will not receive more than 95 percent of their state allocation. This proposal will not decrease the overall funding level dedicated to the Block Grant. A primary weakness identified in a 2005 PART assessment was an inability of the SAPT Block Grant to document long-term outcomes. States reporting on the SAPT Block Grant NOMs could receive an increase to their allocation if some states do not report on NOMs as required.

Program Management

Total FY 2008 Request: \$93.2 million

(Includes +\$1.2 million in program changes)

The FY 2007 resources of \$92.0 million support staffing and activities to administer SAMHSA programs. Program Management supports the majority of SAMHSA staff who plan, direct, and administer agency programs and who provide technical assistance and program guidance to states, mental health and substance abuse professionals, clients, and the general public. Agency staffing represents a critical component of the budget. Staff not financed directly through the Program Management account provide direct state technical assistance and are funded through the 5 percent Block Grant set-asides. There are currently 57 FTEs dedicated to Block Grant technical assistance. Program Management also includes: contracts for block grant investigations (monitoring); support for the Unified Financial Management System (UFMS); administrative activities such as Human Resources, Information Technology, and centralized services provided by the Program Support Center and the Department.

FY 2008 Program Changes (+\$1.2 million)

The Budget includes an increase of \$1.2 million to support staffing and activities, as well as to fund federal pay cost increases and provide \$0.3 million for the national surveys. SAMHSA will also continue to ensure the viability of key data systems that support the Nation's policy and research interests consistent with the funding levels requested in the FY 2008 Budget.

Performance

Introduction

This section on the FY 2006 performance of SAMHSA programs is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The tables include conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The PART reviews noted the key contributions of SAMHSA's substance abuse programs in supporting prevention and treatment services in states, territories, and communities. The primary criticism from the reviews was the lack of outcome measures, targets, and/or data, without which programs could not demonstrate effectiveness. SAMHSA has made progress in working with states to identify a set of standardized National Outcome Measures (NOMs) that will be monitored across all SAMHSA programs. The NOMs have been identified for both treatment and prevention programs, as well as common methodologies for data collection and analysis.

SAMHSA has improved data collection and reporting procedures for prevention and treatment programs and assisted states in developing their data infrastructures. Cost bands have been established for treatment programs and for discretionary prevention programs. CSAT's web-based performance measurement system for its discretionary programs enables grantees to demonstrate considerable success in achieving desired treatment outcomes.

CSAP

The major programs in CSAP are the 20 percent prevention set-aside from the SAPT Block Grant and PRNS, discussed in the following sections.

The SAPT Block Grant—Prevention

SAMHSA is moving toward a data-driven block grant mechanism which will monitor the new NOMs, as well as improve data collection, analysis, and utilization. SAMHSA is working with states to improve the collection of NOMs and will require all States to report in FY 2008. The program has developed an approved efficiency measure—services provided within identified cost bands. Targets and baselines have been reported.

SAMHSA has initiated funding for a national evaluation of the Block Grant. An evaluability assessment has been completed; however, some delays have been experienced in follow-on actions. Results from the full evaluation are not expected until after formal data collection has been completed and quantitative and qualitative analysis of primary and secondary data has been conducted. Based on current progress, SAMHSA's revised goal for some of the results availability is year-end FY 2007 or early FY 2008.

Discussion

The PART review recognized that the SAPT Block Grant is the only federal program that provides funds to every state to support statewide substance abuse treatment and prevention services. The PART review concluded that the program's primary shortcoming was the lack of outcome measures and long-term targets, making it difficult to demonstrate results. It also noted that the program was developing new outcome measures.

CSAP SAPT 20% Prevention Set Aside				
PART Review				
Year of Last Review: 2003			Rating Received: Ineffective	
Evaluation Area	Score	Review Highlights		
Purpose	80	Without uniformly defined and collected outcome information from each state, the program (including prevention and treatment) could not demonstrate its effectiveness.		
Planning	50			
Management	89			
Results	8			
Selected Measures of Performance*			FY 2006 Target	FY 2006 Achieved
» Lifetime drug non-use			55%	53.9%
» 30-day drug use			7.4%	8.1%
» Perception of harm of drug use			40%	73.2%
» Satisfaction with technical assistance			90%	96%

*Data from National Survey of Drug Use and Health. Perception of harm data reflects the range of values for individual substances. Long-term targets for FY 2008 are 57 percent for non-use and 6.4 percent for use. The "use" measure is the percent of program participants who used substances in the last 30 days. The "non-use" measure is the percent of individuals who have never used substances in their lifetime.

Prevention PRNS

CSAP Prevention PRNS				
PART Review				
Year of Last Review: 2004		Rating Received: Moderately Effective		
Evaluation Area	Score	Review Highlights		
Purpose	100	The program makes a unique contribution by focusing on regional, emerging problems. The program is developing two primary long-term outcome measures, which are already being used at the national level in the National Drug Control Strategy and in Healthy People 2010 and directly measure the program's purpose to reduce and prevent substance use.		
Planning	88			
Management	90			
Results	47			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» 30-day use of alcohol among youth, age 12-17.**			*	18%
» 30-day use of other illicit drugs, age 12 and up.**			*	7.8%
» Percent of a program participants age 12-17 that rate the risk of substance abuse as moderate or great.			95%	92.7%
» Percent of program participants age 12-17 that rate substance abuse as wrong or very wrong.			92%	94.5%
» Number of evidence-based policies, practices, and strategies implemented by communities.			1,700	1,891

*Baseline established.

**Long-term targets are 15 percent by FY 2010 for alcohol use; 5 percent by FY 2010 for other illicit drugs.

Note: Data shown are aggregated from several PRNS programs, excluding the Strategic Prevention Framework SIGS.

Discussion

The PART review of the group of programs funded by CSAP under Prevention PRNS found that the program makes a unique contribution, has an effective design, and compares favorably to other substance abuse prevention programs.

CSAP awarded 21 Strategic Prevention Framework-State Incentive Grants in FY 2004, an additional five the following year, and additional 16 in FY 2006. The funds are being used to implement a five-step process known to promote youth development, reduce risk-taking behaviors, build on assets, and prevent problem behaviors. A comprehensive evaluation of this program is being undertaken.

CSAP's original State Incentive Grants achieved great success in accomplishing the Prevention goals of promoting abstinence from substance use and of delaying the age of onset of use. Participants in the original SIG program (no longer funded) continued to abstain from use at high rates, ranging from 98.6 percent for both

methamphetamine and prescription drugs, to 89.3 percent for alcohol. (Note that the previous table includes several PRNS programs).

CSAP completed a year-long study to develop a cost band efficiency measure. The measure has been approved and is being implemented across PRNS programs.

CSAT

The major programs in CSAT are the SAPT Block Grant and the PRNS, highlighted in the following sections.

The SAPT Block Grant - Treatment

CSAT Treatment SAPT Block Grant				
PART Review				
Year of Last Review: 2003		Rating Received: Ineffective		
Evaluation Area	Score	Review Highlights		
Purpose	80	Without uniformly-defined and collected outcome information from each state, the program (including prevention and treatment) could not demonstrate its effectiveness.		
Planning	50			
Management	89			
Results	8			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Percent of clients reporting change in abstinence at discharge from treatment.			*	
» Number of clients served.**			1,983,490	TBR
» Percent of technical assistance events that result in systems, program, or practice change.			95%	TBR

*Long-term measure; no annual targets set. The 2005 baseline was 43%.

**SAMHSA's Treatment Episode Data Set (TEDS) is a proxy for this measure, representing treatment admissions rather than the total number served. This measure is one of SAMHSA's National Outcome Measures, which, will provide more direct and accurate data on number of clients served by reporting an unduplicated count of clients. FY 2004 is the most recent year for which data are currently available because of the time required for states to report data in any given year. FY 2005 data should be available in October 2007. The number of clients served for 2004 (as reported through the Treatment Episode Data Set) was 1,875,026.

Discussion

A PART review stated that the Block Grant is the only federal program that provides funds to every state to support statewide substance abuse treatment and prevention services. It also noted that the program was developing new outcome measures. Since then, SAMHSA and the states have finalized the NOMs for treatment. SAMHSA continues to work with them to improve data collection, analysis, and utilization. An efficiency measure—percent of states that provide treatment services within approved cost-per-person bands according to the type of treatment—has been developed to monitor and improve cost-effectiveness.

Treatment PRNS

Treatment PRNS				
PART Review				
Year of Last Review: 2003		Rating Received: Adequate		
Evaluation Area	Score	Review Highlights		
Purpose	80	PART found that not all activities best served the program purpose and activities lacked performance information.		
Planning	86			
Management	64			
Results	33			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Percent of adult clients who were currently employed/engaged in productive activities.			49%	52%
» Percent of adult clients who had a permanent place to live.			51%	49%
» Percent of adult clients who had no reduced involvement with the criminal justice system.			98%	96%
» Percent of adult clients who experienced no/reduced alcohol or illegal drug-related health, behavioral, or social consequences.			67%	67%
» Percent of adult clients who had no past-month substance abuse.			67%	63%
» Number of clients served.*			34,300	36,038

*Total of all CSAT Capacity programs excluding Access to Recovery and the Screening, Brief Intervention, Referral, and Treatment program.

Discussion

The PART review found that the coordination between treatment and science to service activities is unclear, and the unifying purpose for this discretionary budget is unclear. Some activities within the PRNS make a unique contribution since its service grants are designed specifically to fill gaps. While state and local governments support drug treatment, neither focus on regional, emerging problems. The PART review did not include the ATR program, but will evaluate it in FY 2007.

In FY 2006, CSAT exceeded its SBIRT goal by 28 percent, providing over 200,000 screenings in primary and generalist settings. CSAT also completed the design for an evaluation of the program. Another major achievement was the establishment of Medicaid program codes that may facilitate provider billings for these services.

ATR has continually exceeded its targets for the number of clients served. Program achievements in FY 2005 and FY 2006 make it highly likely that ATR will meet its

3-year goal of serving 125,000 potential clients by the end of FY 2007.

By fall 2006, 8,761 physicians, an increase of almost 30 percent over the previous year, were authorized to use buprenorphine products for treating opioid addiction – enabling thousands of patients to access safe, effective treatment for dependence and addiction to heroin and prescription pain killers.

DEPARTMENT OF HOMELAND SECURITY



DEPARTMENT OF HOMELAND SECURITY
Customs and Border Protection

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Enacted	FY 2008 Request
Drug Resources by Function			
Intelligence	212.594	243.698	256.145
Interdiction	1,422.744	1,630.906	1,714.200
Total Drug Resources by Function	\$1,635.338	\$1,874.604	\$1,970.345
Drug Resources by Decision Unit			
Salaries and Expenses			
National Programs			
Border Security and Trade Facilitation at POEs	481.535	558.147	617.206
Border Security and Control between POEs	317.290	341.627	455.585
HQ Management and Administration	288.911	274.646	281.030
Air and Marine Operations - Salaries	168.005	158.216	186.966
Air and Marine Operations	379.597	541.968	429.558
Total Drug Resources by Decision Unit	\$1,635.338	\$1,874.604	\$1,970.345
Drug Resources Personnel Summary			
Total FTEs (direct only)	7,335	7,937	8,847
Drug Resources as a Percent of Budget			
Total Agency Budget	\$6,750.259	\$8,036.357	\$8,783.292
Drug Resources Percentage	24.23%	23.33%	22.43%

Program Summary

Mission

CBP is the federal agency principally responsible for security of the Nation's borders, both at and between the ports of entry (POE). Titles 18 U.S.C. and 19 U.S.C. authorize U.S. Customs and Border Protection (CBP) to regulate the movement of carriers, persons, and commodities between the U.S. and other nations. It is through this statutory authority that CBP plays a key role in the overall anti-drug effort at the border. CBP's jurisdiction is triggered by the illegal movement of criminal funds, services, or merchandise across our national borders and is applied pursuant to the authority

of the Bank Secrecy Act, "USA PATRIOT Act," Money Laundering Control Act, and other CBP laws.

Methodology

Border Security and Trade Facilitation at POEs Office of Field Operations

The Office of Cargo Conveyance and Security/Non-Intrusive Inspection Division of the Office of Field Operations estimates that, as of December 2006, there were 2,600 CBP Officer positions, or Enforcement Team Officers, related to drug enforcement. In August 2003, CBP established a Consolidated National Inspectional

Anti-Terrorism Contraband Enforcement Team (A-TCET) Policy. Under A-TCET, the former Contraband Enforcement Team (CET), Manifest Review Unit, Non-Intrusive Inspection, Canine, and Outbound teams will be united to form a single enforcement team. The A-TCET also works closely with the Passenger Enforcement Rover Team and Passenger Analytical Unit teams to coordinate all enforcement activities. Although the primary mission of the A-TCET teams is anti-terrorism, they will also focus on all types of contraband, including narcotics. It is estimated that 85 percent of the A-TCET is devoted to drug enforcement. The smuggling methodologies and their indicators are believed to be similar for both narcotics and anti-terrorism activities.

As of December 2006, there was a total of 574 Canine Enforcement Officers. Included in the total were 320 Narcotics Detection Teams, 10 Currency Detection Teams and 138 Narcotics/Human Smuggling Detection Teams that were nearly 100 percent devoted to smuggling interdiction. Also included in the total, but not scored for narcotics enforcement are 82 Agricultural Teams and 24 Explosive Detection Teams.

As of December 2006, there were also 14,573 other CBP Officers, that in addition to the interdiction of contraband and illegal drugs, enforce hundreds of laws and regulations of many other federal government agencies. For example, these agencies include the U.S. Fish and Wildlife Service, the Bureau of Alcohol, Tobacco, Firearms and Explosives, and the Bureau of Export Administration, among many others. CBP subject matter experts estimate that roughly 30 percent of these officers' time is devoted to drug-related activities.

Border Security and Control Between POEs Office of Border Patrol

There are over 12,000 Border Patrol agents that are assigned the mission of detecting and apprehending illegal entrants between the ports of entry along the over 8,000 miles of land and coastal border. These illegal entries include aliens and drug smugglers, potential terrorists, wanted criminals, and persons seeking to avoid inspection at the designated ports of entry. It has been determined that 15 percent of the total agent time nationwide is related to drug interdiction activities. These activities include staffing 26 permanent border traffic checkpoints nationwide, at which 529 canine units are trained in the detection of humans and certain illegal drugs concealed within cargo containers, truck

trailers, passenger vehicles, and boats. In addition, agents perform line watch functions in targeted border areas that are frequent entry points for the smuggling of drugs and people into the United States.

HQ Management and Administration Office of Information Technology

The Office of Information Technology (OIT) supports the drug enforcement mission through the acquisition, support, and maintenance of technology, such as non-intrusive inspection systems and mission critical targeting software systems. Of OIT's spending, 30 percent of the Enforcement Technology Center's base, 100 percent of ATS-Narcotics systems software costs, 50 percent of the Treasury Enforcement Communications System (TECS) and ATS-Passenger software costs, and 10 percent of data center operations costs are estimated to support the drug mission.

CBP Air and Marine

CBP Air and Marine's (A&M) core competencies are air and marine interdiction, air and marine law enforcement, and air domain security. In this capacity, CBP A&M targets the conveyances that illegally transport narcotics, arms, and aliens across our borders and in the source, transit, and arrival zones. In support of source and transit zone interdiction operations, the CBP A&M's P-3 program has dedicated a minimum of 7,200 hours a year in support of Joint Interagency Task Force – South. This support has been instrumental in record seizures over the past two years.

Although 90 percent of the resources that support CBP A&M are considered to be drug-related, since September 11, 2001, the office has steadily increased its support to counterterrorism by developing a more cohesive and integrated response to national security needs, as well as more emphasis on illegal immigration.

HQ Management and Administration Office of Training and Development

The Office of Training and Development (OTD) arrived at its estimates by reviewing all courses. If the course was found to contain drug-related material, the funding attributed to the course was then multiplied by the drug content percentage. Other resources are attributed to drug enforcement activities at a rate of 31 percent based on the diverse nature of OTD's programs such as anti-terrorism, career development, and transition training of the legacy workforce.

Budget

In FY 2008, CBP requests \$1,970.4 million in drug-related resources, which is an increase of \$95.7 million from the FY 2007 enacted level. These resources support CBP as America's frontline border agency. CBP employs over 43,000 highly trained personnel to not only prevent terrorists and terrorist weapons from entering the United States, but also to perform its traditional missions, which include stemming the flow of illegal drugs and other contraband. CBP is determined to improve security at and between the Nation's ports of entry along the entire length of land and maritime borders, and extend the zone of security beyond the physical borders.

Salaries and Expenses

Total FY 2008 Request: \$1,540.8 million
(Includes +\$208.2 million in program changes)

Salaries and Expenses fund CBP's primary field occupations including CBP Officers, Border Patrol agents, pilots, marine officers, import and entry specialists, and agricultural specialists. The agency's field organization is comprised of 20 Border Patrol Sectors with 32 permanent border and 69 tactical checkpoints between the ports of entry; 142 stations and substations; and, 20 Field Operations Offices and 326 associated ports of entry, of which 15 are pre-clearance stations. Field personnel use a mix of air and marine assets, non-intrusive technology such as large-scale x-rays and radiation portal monitors, targeting systems, and automation to ensure the identification and apprehension of high-risk travelers and trade.

Border Security and Trade Facilitation at the POEs

FY 2008 Request: \$617.2 million
(Includes +\$59.1 million in program changes)

The FY 2007 resources of \$558.2 million fund border security and trade facilitation at the POEs. Specifically, CBP will use these resources to support its aggressive border enforcement strategies that are designed to interdict and disrupt the flow of narcotics and ill-gotten gains across our Nation's borders and dismantle the related smuggling organizations. CBP narcotics interdiction strategies are designed to be flexible so that they can successfully counter the constantly shifting narcotics threat at, and between, the ports of entry, as well as in the source and transit zones.

CBP is intent on using resources to develop and implement security programs that safeguard legitimate trade from being used to smuggle implements of terror and other contraband, including narcotics. Under Customs-Trade Partnership Against Terrorism (C-TPAT), CBP works closely with importers, carriers, brokers, freight forwarders, and other industry sectors to develop a seamless, security-conscious trade environment resistant to the threat of international terrorism. C-TPAT provides the business community and government a venue to exchange ideas, information, and best practices in an ongoing effort to create a secure supply chain, from the factory floor to U.S. ports of entry. Under C-TPAT, the Americas Counter Smuggling Initiative (ACSI), Carrier Initiative Program (CIP), and Business Anti-Smuggling Initiative (BASC) remain instrumental in expanding CBP's counternarcotics security programs with trade groups and government throughout the Caribbean, Central and South America, and Mexico.

CBP has implemented the Field Operations Intelligence Program, which provides support to CBP inspection and border enforcement personnel in disrupting the flow of drugs through the collection and analysis of all source information and dissemination of intelligence to the appropriate components. In addition, CBP interdicts undeclared bulk currency, cutting off funds that fuel terrorism, narcotics trafficking, and criminal activities worldwide. CBP Officers perform Buckstop Operations, which involve screening outbound travelers and their personal effects. CBP also supports Cashnet Operations that focus on interdicting bulk currency exported in cargo shipments. CBP uses mobile X-ray vans and specially trained currency canine teams to efficiently target individuals, personal effects, conveyances, and cargo acting as vehicles for the illicit export of undeclared currency.

FY 2008 Program Changes (+\$59.1 million)

The Budget includes a \$59.1 million increase in the drug-related resources associated with border security and trade facilitation at the POEs. Resources will support, in part, CBP's Secure Freight Initiative, which will merge existing and new information regarding a container transiting through the supply chain to create a detailed record. This provides more knowledge about a shipment, its routing, and its handling, and thereby increases CBP's confidence that the shipment is legitimate and has retained its integrity throughout its voyage.

Border Security and Control Between the POEs

FY 2008 Request: \$455.6 million

(Includes +\$114.0 million in program changes)

The FY 2007 resources of \$341.6 million fund Border Security and Control Between the POEs. The Border Patrol has primary responsibility for drug interdiction between the land ports of entry. In pursuit of drugs, Border Patrol agents engage in surveillance activities supported by computer-monitored electronic ground sensors. Traffic check operations are also conducted along major routes of travel to restrict access to drug and alien smugglers. Transportation centers are placed under surveillance for the same reason.

In addition, the Border Patrol canine program was implemented in 1986 in response to escalating alien and drug smuggling activities along the Mexican and Canadian borders. The canines are trained at the Border Patrol National Canine Facility in El Paso, Texas, to locate hidden persons, marijuana, heroin, and cocaine. The canines are used in nearly every enforcement activity of the Patrol including line watch, traffic check operations, and train and bus checks. The canine program is responsible each year for the detection of record numbers of smuggled aliens and large narcotic loads, including the arrest of the criminals involved in smuggling activities.

The Border Patrol also participates in numerous interagency drug task force operations with other federal, state, and local law enforcement agencies through Operation Alliance along the southern border. The Border Patrol is also an active participant in the Southwest Border HIDTA in Texas, New Mexico, Arizona, and California. To further assist the Border Patrol in this endeavor, all Border Patrol agents receive Drug Enforcement Administration Title 21 cross-designated authority as part of their basic training.

FY 2008 Program Changes (+\$114.0 million)

The Budget includes a \$114.0 million increase in the drug-related resources associated with Border Security and Control Between the POEs. This increase is largely related to a program expansion of the Border Patrol. In FY 2008, CBP requests an additional \$604.3 million to hire, train, and equip 3,000 new Border Patrol Agents and 688 operational/mission support personnel. Border Patrol determines that 15 percent of staff time is

devoted to counternarcotics activities. As such, the drug attribution associated with this proposal is \$90.6 million, 450 agents, and 103 support personnel.

Air and Marine Operations—Salaries

FY 2008 Request: \$187.0 million

(Includes +\$28.8 million in program changes)

The FY 2007 resources of \$158.2 million fund personnel compensation and benefits related to A&M Operations. CBP A&M salaries support a staff of over 1,200 air interdiction officers/pilots, marine enforcement officers, operational support and administration positions. If available, resources also cover expenses such as Permanent Change in Station moves, ammunition, firearms, administrative training and travel, and school tuition for dependents of employees in foreign countries.

CBP Air and Marine secures the borders against terrorists, acts of terrorism, drug smuggling, and other illegal activity by operating air and marine branches at strategic locations along the borders. Multi-mission aircraft with advanced sensors and communications equipment provide powerful interdiction and mobility capabilities directly in support of detecting, identifying, and interdicting suspect conveyances, and apprehending suspect terrorists and smugglers.

CBP Air and Marine partners with numerous stakeholders in performing its missions throughout the continental United States and the Western Hemisphere. This includes domestic operations at the borders, source, transit, and arrival zone operations, interior law enforcement support, and support to other agencies. In fulfilling the priority mission to protect the borders, CBP A&M's geographical mission has a strong focus along the southern border, with a recent expansion of coverage on the northern border.

FY 2008 Program Changes (+\$28.8 million)

The Budget includes a \$28.8 million increase in drug-related resources associated with CBP's A&M – Salaries. The increase will provide staffing at field and headquarters locations as CBP expands support for border security operations consistent with the Secure Border Initiative (SBI) and the CBP Air Strategic Plan.

Headquarters Management and Administration

FY 2008 Request: \$281.0 million

(Includes +\$6.4 million in program changes)

The FY 2007 resources of \$274.7 million provide critical policy and operational direction, mission support, and technical expertise to CBP front-line personnel. This program is essential in carrying out CBP's dual mission of protecting our homeland while facilitating legitimate trade and travel.

FY 2008 Program Changes (+\$6.4 million)

The Budget includes a \$6.4 million increase in the drug-related resources associated with HQ Management and Administration. The requested increase will provide for additional personnel to create and staff a strong, proactive internal affairs capability within CBP.

Air and Marine

Total FY 2008 Request: \$429.6 million

(Includes -\$112.4 million in program changes)

CBP Air and Marine's interdiction assets are deployed throughout the Western Hemisphere. By the end of FY 2007, mission critical assets will consist of 263 aircraft (including fixed wing, rotary helicopters, and unmanned aircraft systems) and 190 marine vessels located along all the Nation's borders and at key interior support locations.

The President has authorized the Department of State to continue assistance to Colombia in carrying out an "Airbridge Denial Program" against civil aircraft suspected of trafficking in illicit drugs. CBP A&M's P-3 aircraft are the primary U.S. Government aircraft used to fly in and over Colombia in support of this Presidential Determination and Directive. The P-3 Airborne Early Warning (AEW) and slick aircraft are critical to interdiction operations in the source and transit zones because they provide vital radar coverage in regions where mountainous terrain, expansive jungles, and large bodies of water limit the effectiveness of ground-based radar. Because the P-3 AEW is the only Detection and Monitoring asset solely dedicated to the counter-drug mission, it is a critical component of the National Drug Control Strategy.

In the transit zone, CBP A&M crews work in conjunction with the law enforcement agencies and military forces of other nations in support of their counternarcotic programs. Counterdrug missions

include detection and monitoring, interceptor support, and coordinated training with military and other law enforcement personnel.

CBP A&M aviation assets include: sensor-equipped, detection and monitoring jet interceptors, long-range trackers, maritime patrol aircraft; high performance helicopters; and single/multi-engine support aircraft. CBP A&M's range of maritime assets includes interceptor, utility, and blue water-type vessels.

FY 2008 Program Changes (-\$112.4 million)

The Budget includes a net reduction of \$112.4 million. This includes an adjustment for non-recurring expenses offset by two program increases highlighted below.

The budget includes an increase of \$36.7 million in resources for A&M's Air Maintenance Contract. These funds support program goals, which include maintaining an operational readiness rate of 80 percent or greater for the fleet of rotary and fixed winged aircraft; incurring zero safety incidents; minimizing deficiency reports and maintenance incidents; and providing services in the most cost effective manner.

Also included in the request is an \$18.0 million increase for the P-3 Service Life Extension Program (SLEP). This request provides for planning and implementation efforts (service life assessment plans, project planning, etc.) to support the intended service life extension of 16 P-3 long range and AEW aircraft that are part of A&M's aircraft inventory. Service life extension refers to all processes necessary to extend the life of the aircraft.

Performance

Introduction

This section on the FY 2006 performance of the CBP program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table on the next page includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The Office of Field Operations' drug control efforts were included in the 2005 PART assessment of Border Security, Inspections, and Trade Facilitation (BSITF) at the Ports of Entry program. The program received an overall rating of "Effective." OFO drug control efforts were not rated separately.

CBP A&M drug efforts were included in the 2006 PART assessment of the program. The program received an overall rating of "Moderately Effective." The Office of Border Patrol's drug efforts have not yet been rated through PART.

The FY 2006 Performance and Accountability Report (PAR) highlights the achievements of CBP's drug control programs – OFO, OBP, and A&M – at the ports of entry as indicated in the table below. CBP currently has performance targets only for OFO. As a result, no aggregate targets are presented in the table.

Discussion

One of CBP's strategic goals, "Contribute to a safer America by prohibiting the introduction of illicit contraband into the United States," has as its performance objective to "reduce the importation of all prohibited or illegal drugs and other materials that are harmful to the public or may damage the American economy." Measures focus on the amounts of cocaine, marijuana, and heroin seized at the ports of entry by or with the participation of CBP officers from passengers, vehicles, commercial and private aircraft, vessels, trucks, cargo, and railcars entering the United States.

CBP's OFO has FY 2006 performance targets and actual results (thousands of pounds at ports of entry) as presented in the DHS FY 2006 PAR: their cocaine seizure target is 34.4 compared to the actual of 53.7;

heroin target is 2.4 with an actual of 2.5; and marijuana target is 478 with an actual of 489. The number of narcotics seizures based on their random sampling of incoming vehicles has decreased over the last few years indicating that, overall, fewer narcotics are actually entering via vehicles.

CBP OFO targets are forecasted using statistical analysis of trend data – OFO has met all its drug targets in FY 2006. ONDCP is working with CBP to determine the best method of developing targets that will reflect the efforts of all CBP components.

Customs and Border Protection		
PART Review		
Year of Last Review: 2005	Reviewed as part of BSITF	
Year of Last Review: 2006	Reviewed as part of CBP Air and Marine	
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Amt of Inspection Narcotics Cocaine Seizures (thousands of pounds).	NA	133.2
» Amt of Inspection Narcotics Marijuana Seizures (thousands of pounds).	NA	1,949.3
» Amt of Inspection Narcotics Heroin Seizures (thousands of pounds).	NA	54.2

DEPARTMENT OF HOMELAND SECURITY
Immigration and Customs Enforcement

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Enacted	FY 2008 Request
Drug Resources by Function			
Intelligence	3.066	3.092	3.117
Investigations	379.232	419.753	447.081
Total Drug Resources by Function	\$382.298	\$422.845	\$450.198
Drug Resources by Decision Unit			
Salaries and Expenses	382.298	422.845	450.198
<i>Interagency Crime and Drug Enforcement (non-add)</i>	<i>41.840</i>	<i>42.760</i>	<i>43.700</i>
Total Drug Resources by Decision Unit	\$382.298	\$422.845	\$450.198
Drug Resources Personnel Summary			
Total FTEs (direct only)	2,144	2,372	2,446
Drug Resources as a Percent of Budget			
Total Agency Budget	\$3,575.162	\$4,472.292	\$4,781.000
Drug Resources Percentage	10.69%	9.45%	9.42%

Program Summary

Mission

Immigration and Customs Enforcement (ICE) uses aggressive border enforcement strategies to investigate and disrupt the flow of narcotics and ill-gotten gains across the Nation's borders, and dismantle the related smuggling organizations. ICE achieves these objectives with approximately 1,475 Title 21 cross-designated Special Agents and a multi-disciplined money laundering control program to investigate financial crimes and interdict bulk currency shipments exported out of the United States.

Methodology

Investigations Program

The methodology for the Office of Investigations (OI) is based on investigative case hours recorded in ICE's automated Case Management System. ICE officers record the type of work they perform in this system.

Following the close of the fiscal year, a report is run showing investigative case hours that are coded as general narcotics cases and money laundering narcotics cases. A second report is run showing all investigative case hours logged. A percentage is derived by dividing the number of investigative case hours linked to drug control activities by the total number of investigative case hours. This percentage may fluctuate from year to year. For FY 2006, the percentage was 30.2 percent. To calculate a dollar amount, this percentage is applied to actual obligations incurred by OI against budget authority in FY 2006, excluding reimbursable authority. This percentage was then applied to the FYs 2007 and 2008 figures for OI to determine the appropriate drug control resource levels.

Intelligence Program

ICE employs the same methodology as OI for calculating all drug control activities within the Office of Intelligence's (Intelligence) budget. For FY 2006, 8.2 percent of the total case hours for Intelligence were found to support drug control activities. This percentage was applied to actual obligations against budget authority gained in FY 2006. This percentage was then applied to the FYs 2007 and 2008 figures for Intelligence to determine the appropriate drug control resource levels.

Budget

In FY 2008, ICE requests \$450.2 million, which is an increase of \$27.4 million from the FY 2007 enacted level. ICE drug control resources fund personnel costs associated with investigative and intelligence operations.

Salaries & Expenses

Total FY 2008 Request: \$450.2 million

(Includes +\$27.4 million in program changes)

Salaries and Expenses (S&E) programs contribute to the ICE mission of bringing a unified and coordinated focus to the enforcement of federal immigration and customs laws. S&E resources are used to combat terrorism, illicit drugs, and illegal immigration activities through the investigation, detainment, and prosecution of criminal aliens and other aliens, domestic gangs, as well as those participating in organized criminal activities that are intended to do harm to the infrastructure and/or inhabitants of the United States.

Investigative Activities

FY 2008 Request: \$447.1 million

(Includes +\$27.3 million in program changes)

The FY 2007 resources of \$419.8 million support OI's drug-related activities. Trafficking organizations continue to develop new and sophisticated methods to smuggle drugs into the country. To overcome these challenges, ICE not only uses its capabilities, but also those of a variety of federal, state, and local law enforcement agencies through participation in important programs such as the Organized Crime Drug Enforcement Task Force (OCDETF) and Border Enforcement Security Task Forces (BEST). Further, ICE also targets the proceeds that are vital to the sustainability of drug trafficking organizations by conducting extensive financial investigations and training.

ICE's membership in OCDETF is an important factor in the agency's success in dismantling drug trafficking organizations. ICE OCDETF Coordinators sit on each of OCDETF's nine regional task forces and actively interact with other federal law enforcement agencies, local police chiefs, and state and local prosecutors. ICE dedicates resources to participate in highly complex OCDETF investigations targeting major drug smuggling organizations such as Operation Panama Express, which is a federally approved OCDETF investigation targeting Colombian narco-trafficking organizations.

Resources also support ICE's leadership in BEST. With BEST, DHS law enforcement agencies work cooperatively with other law enforcement entities to develop a comprehensive approach that identifies, disrupts, and dismantles criminal organizations posing significant threats to border security. BEST was developed in response to the increased threat from cross-border smuggling and trafficking organizations operating along our Nation's borders. Since January 2006, the BEST concept has been implemented in Laredo, Texas and Arizona.

ICE is also an active participant in the Special Operations Division (SOD), a multi-agency coordination unit consisting of representatives from several federal agencies that include DEA, FBI, and IRS. The ICE Special Operations Unit (SOU) is part of SOD. The primary mission of SOU is to target the command and control communication devices employed by criminal organizations operating across jurisdictional boundaries on a regional, national, and international level. SOU personnel focus on communications information generated during ICE field investigations and coordinate this information among law enforcement agencies, foreign and domestic, to maximize efforts to disrupt and dismantle targeted organizations.

With regard to financial investigations, ICE resources fund operations that target the systems used by international criminal organizations to launder the proceeds of their criminal activities. Through its Cornerstone program, ICE builds partnerships between law enforcement and the private sector to identify and eliminate systems vulnerabilities that criminal organizations exploit to fund their illegal operations and launder illicit funds. ICE shares intelligence and typologies with financial and trade industries that manage the very systems that terrorists and drug trafficking

organizations seek to exploit. In return, ICE receives information and insights to more effectively investigate these complex and sophisticated criminal schemes.

Finally, resources allow ICE to conduct specialized investigative training focused on bulk cash smuggling for state and local police officers and Assistant U.S. Attorneys. In addition, ICE conducts comprehensive financial investigations training for foreign law enforcement officers.

FY 2008 Program Changes (+\$27.3 million)

The Budget includes an increase of \$27.3 million in resources that support OI activities. The request includes an expansion of ICE's participation in the Bulk Cash Smuggling Center, BEST, and Operation Community Shield (ICE's anti-gang initiative). This increase also reflects an upward adjustment for inflation and technical adjustments to the base.

Intelligence Activities**FY 2008 Request: \$3.1 million****(Includes no program changes)**

The FY 2007 resources of \$3.1 million support the Office of Intelligence's drug-related operations. Intelligence provides support to all ICE investigative, detention and removal components, as well as many other departmental entities, in disrupting the flow of drugs by collecting and analyzing all source information and disseminating tactical intelligence to the appropriate operational component.

FY 2008 Program Changes (none)

The Budget includes no program changes for ICE's drug-related Intelligence operations.

Performance

Introduction

This section on the FY 2006 performance of ICE is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The tables include conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

ICE has two major foci – investigations and intelligence. ICE's Office of Investigations and Office of Intelligence have separate counterdrug responsibilities; however, ICE Intelligence supports OI and other agency partners and task forces. There is, therefore, some overlap in the seizure amounts shown in the two tables on the following pages.

ICE Office of Investigations		
PART Review		
Year of Last Review: 2004	Reviewed as part of Office of Investigations Programs	
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Thousands of pounds of cocaine seized	*	176
» Number of cocaine seizures	*	1,726
» Thousands of pounds of marijuana seized	*	875.6
» Number of marijuana seizures	*	4,510
» Thousands of pounds of heroin seized	*	2.6
» Number of heroin seizures	*	547
» Percentage of closed investigations that have an enforcement consequence defined as an arrest, indictment, conviction, seizure, or penalty (for OI as a whole)	38.5%*	36.40%

*Target values invalidated because of data issues
 Note: Seizures include those based on ICE Intelligence

Investigations

ICE OI was rated “Adequate” through the PART process in 2004. However, individual components, such as the drug control functions, were not reviewed separately. Thus, there are no separate findings for the drug control portion of OI’s mission.

OI has constructed a new performance measure that will tie drug control efforts to impacts on the systems by which drugs and drug money are moved and stored. In addition, OI tracks seizures, as indicated in the table. The value of currency and monetary instruments seized in FY 2006 from drug operations totaled \$85.6 million. The value of real or other property seized in FY 2006 totaled \$52.3 million.

On October 1, 2006, an enhancement of the data system was made to accommodate, and separately account for, both criminal and administrative arrests. OI will revisit the data elements that should be included in the data computation of the performance measure and adjust future targets as needed. OI will also continue to develop additional performance measures as appropriate to demonstrate program effectiveness.

Discussion

The targets that were identified for FY 2006 are no longer comparable with data on actual achievements because of data collection discrepancies discovered during the last quarter. Some field offices had erroneously included administrative arrest data in the database, thus affecting a number of investigative cases with enforcement consequences. OI initiated a data certification process to correct the error. This change necessitated the recalculation of actual achievements for each quarter. Since the targets were based on the previous year’s incorrectly collected data, the targets are no longer valid.

ICE Office of Intelligence		
No PART Assessment Made		
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Thousands of pounds of cocaine seized	*	185.9
» Number of cocaine seizures	*	24**
» Thousands of pounds of marijuana seized	*	45.3
» Number of marijuana seizures	*	48
» Thousands of pounds of heroin seized	*	0.074
» Number of heroin seizures	*	1

*Target formulation pending finalization of modified performance measurement process

**72 tracking events resulted in 24 seizures

Intelligence

ICE Intelligence is modifying its approach to performance measurement while continuing to monitor drug seizures. The outcome-oriented measures under development will relate to the disruption of trafficking organizations, their smuggling routes, and their methods of operation.

Discussion

The data in the table represents conservative estimates. Some drug loads are partially or totally destroyed due to burning or sinking by traffickers. The Intelligence target-and-vector process sometimes results in traffickers fleeing back to their home ports with their loads to avoid capture. Such results of intelligence/interdiction activity cannot be accounted for in seizure statistics.

ICE Intelligence drug enforcement activities function in cooperation with partner agencies, task forces, and other joint endeavors. The Tactical Intelligence Center (TIC), both individually and as part of the SANDKEY intelligence consortium, was responsible in some cases entirely, others partially, for the cocaine and heroin performance aggregated in the table. The Albuquerque Special Operations Center (ASOC) provided tactical level intelligence that directly resulted in ICE, CBP/Border Patrol, and task force seizures of the bulk of the marijuana cases cited in the table.

DEPARTMENT OF HOMELAND SECURITY
United States Coast Guard

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Interdiction	1,224.500	1,139.436	1,072.208
Research and Development	0.955	0.759	0.985
Total Drug Resources by Function	\$1,225.455	\$1,140.195	\$1,073.193
Drug Resources by Decision Unit			
Acquisition, Construction, and Improvements	434.985	355.815	234.896
Operating Expenses	773.206	766.487	819.676
<i>Interagency Crime and Drug Enforcement (non-add)</i>	<i>0.626</i>	<i>0.640</i>	<i>0.655</i>
Research and Development	0.955	0.759	0.985
Reserve Training	16.309	17.134	17.636
Total Drug Resources by Decision Unit	\$1,225.455	\$1,140.195	\$1,073.193
Drug Resources Personnel Summary			
Total FTEs (direct only)	6,333	6,268	6,300
Drug Resources as a Percent of Budget			
Total Agency Budget	\$8,675.119	\$8,626.864	\$8,726.302
Drug Resources Percentage	14.13%	13.22%	12.30%

Program Summary

Mission

The United States Coast Guard (Coast Guard) enforces federal laws in the transit and arrival zones as the Nation's principal maritime law enforcement agency with jurisdiction on, under and over the high seas and U.S. territorial waters. As part of its strategic goal in maritime security, Coast Guard's drug interdiction objective is to reduce the flow of illegal drugs entering the United States by denying smugglers their maritime routes.

Coast Guard has developed a ten-year counterdrug strategic plan, Campaign STEEL WEB. This plan is a comprehensive approach to maritime counterdrug law enforcement in the transit and arrival zones. The cornerstones of this plan are: (1) maintain a strong

interdiction presence to deny smugglers access to maritime routes and deter trafficking activity; (2) strengthen ties with source and transit zone nations to increase their willingness and ability to reduce the production and trafficking of illicit drugs within their sovereign boundaries, including territorial seas; (3) support interagency and international efforts to combat drug smuggling through increased cooperation and coordination; and, (4) promote efforts to reduce illegal drug use in the maritime environment.

Methodology

Coast Guard does not have a specific appropriation for drug interdiction activities. All drug interdiction operations, capital improvements and acquisitions, reserve training, and research and development activities are funded out of the appropriations specified herein.

Reflecting the multi-mission nature of Coast Guard units, the accounting system is keyed to operating and support facilities, rather than to specific missions. Consistent with that approach, personnel and other costs are administered and tracked along operational and support capability lines requiring sophisticated cost accounting techniques.

Coast Guard uses a Mission Cost Model (MCM) methodology to compute its drug attribution. The MCM allocates funding across Coast Guard missions in the Performance-Based Budget (PBB) presentation. The MCM allocates all direct and support costs to mission-performing units (e.g., a 378-foot cutter). Established baselines of operational activity are used to further allocate those costs to the various missions.

Operating Expenses (OE)

OE funds are used to operate facilities, maintain capital equipment, improve management effectiveness, and recruit, train, and sustain all active duty military and civilian personnel. Budget presentations for current and future years use the most recent OE asset cost data. The MCM systematically allocates all OE costs in the following way:

- » **Direct Costs:** Applied directly to the operating assets (high endurance cutter, HC-130 aircraft, 41” utility boat) that perform missions;
- » **Support Costs:** Applied to assets for which cost variability can be specifically linked to operating assets (based on carefully-developed allocation criteria); and,
- » **Overhead Costs:** Applied to assets based on the proportion of labor dollars spent where cost variability cannot be specifically linked to operating assets. This is a standard industry approach to overhead allocation.

Once all operating expense costs are fully loaded on mission-performing assets, those costs are further allocated to Coast Guard missions (drug enforcement, search and rescue, etc.) using actual or baseline projections for operational employment hours.

Acquisition, Construction and Improvements (AC&I)

The MCM model is used to develop an allocation of costs by mission areas for proposed AC&I projects. For example, if a new asset is proposed for commissioning through an AC&I project, costs would be applied to missions using the operational profile of a comparable existing asset.

Research, Development, Test and Evaluation (RDT&E)

The MCM model is used to develop an allocation of costs by mission areas for proposed Research, Development, Test, and Evaluation projects. Scoring of drug interdiction funding is accomplished within the zero-based RDT&E decision unit and every line item requested in the RDT&E budget was evaluated for its anticipated contribution to drug interdiction efforts. Generally, each RDT&E project has a discrete driver that is selected to allocate the funding for that project to the various mission areas of Coast Guard. These drivers are based upon experienced professional judgment. Once the unique program driver is determined the program percentage spreads for each of these drivers are extracted from the mission cost model.

Reserve Training (RT)

A portion of the funds available to the drug control mission areas are included in the RT appropriation. RT funds are used to support Selected Reserve personnel who in turn support and operate facilities, maintain capital equipment, improve management effectiveness, and assist in sustaining all operations. In the RT budget, allocating a share of budget authority using the same methodology used for OE derives the amount allocated to the drug control mission area.

Budget

The FY 2008 Budget includes initiatives that will enhance Coast Guard’s ability to stop the flow of illegal drugs in both the transit and arrival zones. In FY 2008, Coast Guard requests \$1,073.2 million to fund drug control operations including acquisition, construction

and improvements, operating expenses, research and development, and reserve training. This level represents a \$67.0 million reduction from the FY 2007 enacted level.

Acquisition, Construction, and Improvements

Total FY 2008 Request: \$234.9 million
(Includes –\$120.9 in program changes)

Acquisition, Construction, and Improvements finance the acquisition of new capital assets, construction of new facilities, and physical improvements to existing facilities and assets. The funds cover Coast Guard-owned and operated vessels, shore facilities and other equipment, such as computer systems. Resources will ensure Coast Guard is properly equipped and outfitted to meet the Campaign STEEL WEB objectives.

Integrated Deepwater System

FY 2008 Request: \$788.1 million
(\$215.4 million drug-related)
(Includes –\$120.9 million in program changes)

Coast Guard's greatest threat to mission performance continues to be the fact that its aircraft, cutters, boats, shore facilities and communications systems are aging and technologically obsolete. The majority of Coast Guard's operational assets will reach the end of their service life by 2008. Increasing operational demands, rising maintenance costs, and declining readiness levels due to the condition of aging assets result in loss of mission performance and effectiveness.

The FY 2007 enacted resources of \$1,045.9 million (\$312.1 million drug-related) represent a milestone in IDS acquisition. The IDS acquisition program remains the centerpiece of a more ready, aware, and responsive 21st-century Coast Guard. Resources provided for the construction of the third National Security Cutter (NSC), advanced delivery of the Fast Response Cutter, and additional Maritime Patrol Aircraft (MPA) and equipment to outfit a second CASA CN-235 Air Station. Further, funds will support the manned and unmanned aircraft programs, as well as Deepwater's systems for integrated logistics support and C4ISR (command, control, communications, computers, intelligence, surveillance and reconnaissance).

FY 2008 Program Changes (–\$120.9 million)

Coast Guard uses a zero-based budget approach in developing its request for AC&I. Program changes in the AC&I account from year to year

may vary significantly depending on the specific platforms or construction projects being sought. The \$120.9 million reduction is a reflection of the project mix proposed for FY 2008. The FY 2008 Budget provides resources for the acquisition of a number of important assets, some of which are identified below. The budget figures associated with these assets include both drug and non-drug resources.

Maritime Patrol Aircraft (\$170 million) This request will fund four MPA, CASA CN-235 300Ms, as well as the missionization and required logistics to outfit these aircraft for "mission ready" status to fully execute assigned Coast Guard missions. These funds will help address Coast Guard's MPA flight hour gap by providing 3,200 additional MPA hours every year.

C-130J Fleet Introduction (\$5.8 million)

This request provides funding to continue missionization of Coast Guard's six C-130J aircraft. This project outfits these aircraft with improved sensors, communications, computer, and other systems to make the C-130J suitable for Coast Guard MPA operations.

Armed Helicopter (Airborne Use of Force)

(\$24.6 million) This request will complete Coast Guard's Airborne Use of Force (AUF) initiative and provide regional Coast Guard AUF capability and surge capacity throughout the United States. Specifically, this request will outfit 42 MH-65C helicopters at 10 air stations and seven MH-60J support helicopters at Coast Guard's Aviation Repair and Support Center (ARSC) with Personal Protective Equipment (PPE), weapons, mounts and armory support.

Operating Expenses

Total FY 2008 Request: \$819.7 million drug-related
(Includes +\$53.2 million in program changes)

The FY 2007 resources will support the operation and maintenance of Deepwater assets, including the second National Security Cutter and helicopters armed with AUF. Funding will also support additional flight hours associated with the HC-130J fixed wing aircraft, as well as non-Deepwater enhancements, such as operating funds for the Response Boat Medium, National Capital Region Air Defense and Rescue-21 National Distress Response System.

The FY 2007 resources will also support the continued deployment of AUF assets designed to stop the go-fast boat smuggling threat. Funding provides for an interdiction presence for Operation FRONTIER SHIELD and other interdiction pulse operations in the Caribbean transit zone and in the maritime regions along the Southwest Border. Coast Guard maritime interdiction efforts off the coast of south Texas and the coast of Southern California are designed to complement the combined efforts of federal, state, and local law enforcement agencies to reduce trafficking across the Southwest Border. As part of the Southwest Border Initiative, Coast Guard will continue efforts to enhance international cooperation through its relationship with the Mexican Navy.

Resources will also support Coast Guard as a principal participating agency within OCEDEF. Coast Guard has the unique capability to conduct drug interdiction on the high seas, and to find multi-ton quantities of cocaine and marijuana on board vessels and go-fast boats. Coast Guard also provides critical intelligence about the maritime smuggling of drugs entering the U.S. through maritime post-seizure analysis, reporting by Coast Guard intelligence personnel, and the development of cooperating sources.

FY 2008 Program Changes (+\$53.2 million)

The Budget includes an increase for Coast Guard's operating expenses representing both base adjustments and program enhancements. Specific highlights from the FY 2008 budget include (figures represent both drug and non-drug resources):

HC-130J Operations (\$5.2 million)

This request provides operation and maintenance funding for 800 annual flight hours for Coast Guard's HC-130J aircraft. These 800 flight hours, combined with the 3,200 flight hours already appropriated, will enable Coast Guard to meet its full operating capability requirement of 4,000 flight hours for five HC-130J operational aircraft. Coast Guard's HC-130J aircraft were initially acquired in the FY 2001 Military Construction (MILCON) Appropriation and delivered in FY 2003 and FY 2004.

Armed Helicopter Follow-On / Atlantic Area (LANTAREA) Aviation Deployment Center (\$6.9 million)

This request provides funding for the maintenance and upkeep of AUF equipment including Personal Protective Equipment, weapons, mounts and armory support for the LANTAREA Aviation Deployment Center helicopters. In addition, this funding will provide additional flight hours and range costs to support AUF training, and the maintenance and recapitalization of deployable helicopter support kits. The LANTAREA Deployment Center will serve as the capability replacement for Coast Guard's Helicopter Interdiction Squadron (HITRON).

Research and Development

Total FY 2008 Request: \$0.99 million (Includes +\$0.2 million in changes)

Research, Development, Test and Evaluation allows Coast Guard to maintain its non-Homeland Security research and development capability, while also partnering and leveraging initiatives identified by the Department of Homeland Security and the Department of Defense. The RDT&E funding requested will support all 11 statutorily mandated Coast Guard mission-programs.

FY 2007 resources will support the development of technologies to improve detection of hidden contraband in locations that were previously impossible to search; improve tactical communications systems to improve interagency coordination, command and control; and develop technologies that give commanders a wider range of options to stop fleeing vessels.

FY 2008 Changes (+\$0.2 million)

The Budget includes a modest increase for inflation.

Reserve Training

Total FY 2008 Request: \$17.6 million (Includes +\$0.5 million in changes)

Reserve Training is critical in providing Coast Guard the flexibility to meet its maritime safety and security missions. Reserve Training allows trained units and qualified personnel to be available for service in the Coast Guard in time of war or national emergency. In addition, the Coast Guard Reserve may be called upon to provide units and personnel to fill the needs of the agency at

such times as national security requirements exceed the capacity of Coast Guard's active duty force.

Reserve Training funds will be used to support Selected Reserve personnel who in turn support and operate facilities, maintain capital equipment, improve management effectiveness, and assist in sustaining all operations. In the RT budget, funding assumes a drug control allocation equivalent to that of the OE program costs since RT personnel augment OE program functions.

FY 2008 Changes (+\$0.5 million)

The Budget includes a modest increase for inflation.

Performance

Introduction

This section on the FY 2006 performance of the Coast Guard program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table on the next page includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The 2002 PART review found that the program was "generally well-managed" but needed to address some strategic planning issues – long-term performance targets were needed as were regular comprehensive evaluations. The program was rated "Results Not Demonstrated." Coast Guard has since established long-term performance targets out to FY 2011 and is actively engaged in undertaking program evaluations through the Center for Naval Analyses (CNA). CNA will complete its evaluation of the program in the spring of 2007.

Discussion

Coast Guard's illegal drug interdiction Strategic Goal focuses on securing maritime routes by halting the flow of illegal drugs, aliens and contraband, preventing illegal incursions of the U.S. Exclusive Economic Zone, and suppressing maritime federal law violations. This Strategic Goal is monitored by the long-term performance goal of reducing the flow of illegal drugs

into the U.S. via maritime routes. A 35 percent to 50 percent disruption rate would significantly affect the profitability for smugglers, the removal rate measure allows for a direct evaluation of Coast Guard's efforts in disrupting the market as prescribed by National Priority III of the National Drug Control Strategy.

The Removal Rate is defined as the amount of cocaine lost to the smuggler (through seizures, burning, jettison, and other non-recoverable events) and is based upon values vetted through the Consolidated Counter-Drug Database (CCDB). This new measure records drugs removed from the market, reflecting Coast Guard counterdrug efforts and results. For the FY 2006 outcome measure, total non-commercial maritime flow data will not be available until summer 2007 when the Interagency Assessment of Cocaine Movement (IACM) is published. At that time, an actual cocaine removal rate will be published for FY 2006. However, FY 2006 seizure and removal data to date strongly suggest that Coast Guard will meet its FY 2006 target of a 22 percent cocaine removal rate.

While Coast Guard's FY 2006 performance results are attributable to a host of factors, three stand out as particularly noteworthy. The continued availability of actionable intelligence (i.e., raw intelligence coupled with necessary analytical capabilities) allowed for rapid and thorough sorting of targets, and more efficient use of surface and air resources. Second, fielding an optimal force package of flight deck equipped ships with armed helicopters and long range surveillance aircraft, contributed to the surveillance, detection, classification, identification, and prosecution of narcoterrorist threats, including high-speed go-fast vessels. Third, the International Maritime Interdiction Support provisions in several of Coast Guard's bilateral counterdrug agreements, coupled with outstanding interagency post-seizure coordination, were instrumental in conveying detainees and evidence to the U.S. for prosecution while keeping assets in theater for continued interdiction.

US Coast Guard			
PART Review			
Year of Last Review: 2002		Rating Received: Results Not Demonstrated	
Evaluation Area	Score	Review Highlights Below:	
Purpose	100	The program was found to be generally well-managed but faced challenges in strategic planning and performance. In the four years that have passed since the FY 2004 review, the program has made great progress toward addressing OMB's recommendations.	
Planning	65		
Management	83		
Results	25		
Selected Measures of Performance			FY 2006 Target
» Non-commercial maritime cocaine removal rate.			22.0%
			FY 2006 Achieved
			April 2007

DEPARTMENT OF JUSTICE



DEPARTMENT OF JUSTICE

Bureau of Prisons

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Treatment	62.632	65.137	67.156
Total Drug Resources by Function	\$62.632	\$65.137	\$67.156
Drug Resources by Decision Unit			
Inmate Programs	62.632	65.137	67.156
Total Drug Resources by Decision Unit	\$62.632	\$65.137	\$67.156
Drug Resources Personnel Summary			
Total FTEs (direct only)	443	466	467
Drug Resources as a Percent of Budget			
Total Agency Budget	\$4,930.100	\$4,921.300	\$5,361.400
Drug Resources Percentage	1.27%	1.32%	1.25%

Program Summary

Mission

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

Preparing inmates for eventual release to the community has been one of BOP's key objectives. BOP's drug treatment program facilitates the successful reintegration of inmates into society, consistent with community expectations and standards. Treatment programs assist the inmates in identifying, confronting, and altering the attitudes, values, and thinking patterns that led to criminal behavior and drug use.

Budget

In FY 2008, BOP requests \$67.2 million for drug treatment programs. This is an increase of \$2.0 million from the FY 2007 level primarily for pay and inflationary increases and one new activation at FCI Pollock, LA.

Inmate Programs

**Total FY 2008 Request: \$67.2 million
(Includes +\$2.0 million in program changes)**

The Bureau of Prisons is mandated by law to provide drug treatment to 100 percent of the eligible inmate population. There is enormous demand for these services in part because of the potential for some non-violent offenders to earn a reduction in sentence following the successful completion of the program. The treatment continuum begins with drug abuse education and ends with a strong community transition component. The objective is to reduce the likelihood of inmates relapsing to drug use.

The FY 2007 resources of \$65.1 million will support BOP's drug treatment programs. In response to the rapid growth in the federal inmate population having drug abuse histories (40 percent of inmates), BOP continues to develop a strong and comprehensive drug abuse treatment strategy consisting of: screening; referral; assessment; drug abuse education; non-residential drug abuse treatment services; residential drug abuse treatment programming; and community transitional drug abuse treatment.

Drug Program Screening and Assessment

Upon entry into a BOP facility, an inmate's records are assessed to determine whether there is evidence in the pre-sentence investigation that alcohol or other drug use contributed to the commission of the offense; the inmate received a judicial recommendation to participate in a drug treatment program; or the inmate violated his or her community supervision as a result of alcohol or other drug use. If an inmate's record reveals any of these elements, the inmate must participate in a drug abuse education course, available at every BOP institution.

In addition, as part of the initial psychological screening, inmates are interviewed concerning their past drug use to determine their need for BOP drug abuse treatment options.

Drug Abuse Education

In FY 2007, BOP estimates that it will provide drug abuse education to 23,000 inmates. Participants in the drug abuse education course receive factual information on alcohol and drugs and the physical, social, and psychological impact of these substances. Participants assess the impact of substance use on their lives, the lives of their family, and on their community. Drug abuse education participants are also informed of program options available to them and are encouraged to volunteer for appropriate programs.

Residential Drug Abuse Treatment Program

In FY 2007, BOP estimates that 18,000 inmates will participate in the residential drug abuse treatment program (RDAP). RDAP provides intensive unit-based treatment with extensive assessment and cognitive behavioral therapy. The programs are typically 9 months long and provide a minimum of 500 hours of drug abuse treatment. Inmates who participate in RDAP are 16 percent less likely to recidivate and 15 percent less likely to relapse 3 years after release.

Non-Residential Drug Abuse Treatment

In FY 2007, BOP estimates that it will provide non-residential drug treatment to 14,300 inmates. Unlike residential programs, inmates are not housed together in a separate unit, rather, they are housed with the general inmate population. Non-residential treatment was designed to provide maximum flexibility to meet the needs of offenders, particularly those individuals who have relatively minor or low-level substance abuse impairment. These offenders do not require the intensive level of treatment needed by individuals with moderate-to-severe addictive behavioral problems.

A second purpose of the program is to provide those offenders who have a moderate to severe drug abuse problem with supportive program opportunities during the time they are waiting to enter RDAP, or for those who have little time remaining on their sentence and are preparing to return to the community.

Non-Residential Follow-up Treatment

Follow-up treatment is required of all inmates who complete RDAP and return to the general population. This program reviews all the key concepts of RDAP.

Community Transition Drug Abuse Treatment

In FY 2007, 16,500 inmates are projected to participate in this program. Community transitional drug abuse treatment (TDAT) is the final component of RDAP. In order to successfully complete all components of RDAP, the inmate must be transferred to a Residential Reentry Center (RRC), also known as a Community Corrections Center, and participate in community based drug treatment. In addition, offenders who did not have an opportunity to participate in RDAP may be referred to TDAT by community corrections staff.

FY 2008 Program Changes (+\$2.0 million)

The Budget includes a modest increase for BOP's drug control activities. The \$2.0 million is for pay and inflationary increases, as well as one drug treatment position at the newly activated prison in Pollock, LA.

Performance

Introduction

This section on the FY 2006 performance of the BOP program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table below includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The 2003 PART assessment of BOP Salaries and Expenses budget, which includes the drug treatment portion of the Inmate Programs decision unit, concluded that BOP's overall program is strong but needed improvement in long-term goal setting and outcome orientation.

BOP has established a recidivism measure for its Residential Drug Abuse Treatment Program. A study to establish a baseline is being conducted on RDAP participants released from BOP custody and an equal number of comparison subjects not in the program.

In FY 2006, BOP completed a Community Skills Building Treatment Module for all inmates residing in an RRC who did not attend RDAP. Based on cognitive behavioral therapy, information and treatment are provided to inmates in key areas that often cause relapse and recidivism, e.g., dealing with authority figures, how to schedule one's time, finding a support system of positive peer/family figures, etc.

Community transition drug abuse treatment is a key component of BOP's drug abuse treatment program strategy. All inmates who take part in RDAP are required to participate in community transition drug abuse treatment when transferred from the institution to an RRC. This continuum of treatment and supervision has proven to reduce behavioral violations, relapse, and recidivism.

Discussion

The Violent Crime Control and Law Enforcement Act of 1994 (VCCLEA), requires BOP, subject to the availability of funds, to provide appropriate substance abuse treatment to 100 percent of all eligible inmates. A provision of VCCLEA also provides for non-violent inmates to reduce up to 12 months off their sentence (at the discretion of the director) for successful completion of all RDAP components. This "early release" provision has created a significant waiting list of over 7,600 inmates for RDAP.

Bureau of Prisons			
PART Review			
Year of Last Review: 2003		Reviewed as part of BOP Salaries and Expenses	
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Number of inmates participating in drug abuse education programs.		All Eligible	23,006
» Number of inmates participating in Residential Drug Abuse Treatment.		All Eligible	17,442
» Number of inmates participating in Community Transition Drug Abuse Treatment.		All Eligible	16,503
» Number of inmates participating in Non-residential Drug Abuse Treatment.		All Eligible	13,697

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Intelligence	153.107	151.085	167.653
International	297.987	290.976	320.770
Investigations	1,340.231	1,341.945	1,458.583
Prevention	9.297	2.324	2.324
State and Local Assistance	90.169	89.640	92.488
Total Drug Resources by Function	\$1,890.791	\$1,875.970	\$2,041.818
Drug Resources by Decision Unit			
Diversion Control Fee Account	201.673	212.078	239.249
Salaries and Expenses			
Domestic Enforcement	1,293.508	1,277.720	1,426.621
International Enforcement	315.070	305.682	339.315
State and Local Assistance	80.540	80.490	36.633
Total Drug Resources by Decision Unit	\$1,890.791	\$1,875.970	\$2,041.818
Drug Resources Personnel Summary			
Total FTEs (direct only)	9,264	9,309	8,692
Drug Resources as a Percent of Budget			
Total Agency Budget	\$1,890.791	\$1,875.970	\$2,041.818
Drug Resources Percentage	100.00%	100.00%	100.00%

Program Summary

Mission

DEA's mission is to enforce the controlled substances laws and regulations of the United States and bring to the criminal and civil justice system of the 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.

Budget

In FY 2008, DEA requests \$2,041.8 million, which is an increase of \$165.9 million over the FY 2007 level. The increase will support Southwest Border and methamphetamine enforcement operations, as well as building a more robust capability to disrupt Internet drug activity.

Diversion Control Fee Account

Total Request: \$239.3 million

(Includes +\$27.2 million in program changes)

The Diversion Control program provides regulatory guidance and support to over one million legitimate handlers of controlled substances and chemicals. Keeping legitimate importers, exporters, manufacturers, retailers and practitioners compliant with regulations contributes significantly to the reduction in the diversion of controlled substances and chemicals. In order to achieve this goal, Diversion Control focuses its investigative resources on identifying, targeting, disrupting or dismantling diverters of licit controlled substances and chemicals at the domestic and international level.

FY 2008 Program Changes (+\$27.2 million)

Online Diversion Investigations

(+\$4.0 million)

The illicit trafficking of controlled pharmaceuticals has been facilitated by the wide use of the Internet and the anonymity it provides. The existence of readily available drugs on the Internet is a great concern because of the potential for abuse. Specifically, the emergence of Internet pharmacies has created an additional avenue for diverted pharmaceuticals. Much of the problem involves third party businesses operating pharmacy websites that allow doctors and pharmacies to write and fill prescriptions without a face-to-face visit. This enhancement will provide 12 positions, operational funding, improved Internet intercept capabilities, computer forensics support and specialized legal support.

Conversion of Diversion Investigators

(+\$11.6 million)

The Department of Justice (DOJ) and the Office of Personnel Management are currently reviewing a DEA proposal to create a new hybrid diversion investigator (DI) and criminal investigator (CI) position. The duties of the current DI position include maintaining liaison with all levels of the drug and chemical registrant population, conducting regulatory investigations, and carrying out criminal investigations with the assistance of Special Agents. The new series would combine key aspects of the DI (GS-1801) and CI (GS-1811) positions. The new hybrid position would be a law enforcement officer position with law enforcement duties and benefits.

The expertise required of the hybrid DI position includes knowledge of the Controlled Substances Act (CSA), criminal investigative techniques, arrest authority and the ability to give Miranda warnings, issue search warrants and conduct undercover work. This enhancement would fund the cost of FY 2008 DI conversions.

Long Beach, California Port (+\$0.3 million)

To further combat the diversion of precursor chemicals, DEA requests \$0.3 million in personnel funding and two positions (including 1 Special Agent and 1 Diversion Investigator). These positions will work closely with the Department of Homeland Security's Customs and Border Protection to identify shipments of precursor chemicals from source countries destined for Mexico that are transiting the Long Beach, California facility.

Foreign Diversion Investigator (+\$0.5 million)

DEA requests one Diversion Investigator to be located in Panama City. Placing additional resources in Panama to target the smuggling of essential precursors will be invaluable since much of the containerized cargo transiting Central America passes through that country.

Base Adjustments (+\$10.8 million)

Includes adjustments to base for the FY 2008 pay raise, pay raise annualizations, GSA rent, change in compensable days, thrift savings plan, and federal health insurance premiums.

Salaries and Expenses (S&E)

Total FY 2008 Request: \$1,802.6 million

(Includes +\$138.7 million in program changes)

To accomplish its mission, DEA prepared a five-year Strategic Plan for FYs 2003-2008 consistent with DOJ's Strategic Plan and the President's National Drug Control Strategy, which arrays DEA's resources into four strategic focus areas to achieve the maximum impact against the full spectrum of drug trafficking activities. These focus areas are: International Enforcement, Domestic Enforcement, State and Local Assistance, and Diversion Control. These areas, with the exception of Diversion Control, comprise the S&E account.

Domestic Enforcement

FY 2008 Request: \$1,426.6 million

(Includes +\$148.9 million in program changes)

DEA administers an aggressive and balanced enforcement program with a multi-jurisdictional approach designed to focus federal resources on illegal drug and chemical traffickers, to disrupt or dismantle organizations that control the illegal drug trade within regions of the United States, and to seize proceeds and assets involved in those illegal activities. DEA accomplishes this by disrupting and dismantling Priority Target Organizations (PTOs), as well as Organized Crime Drug Enforcement Task Force (OCDETF)-designated Consolidated Priority Target Organizations (CPOTs) and Regional Priority Organization Targets (RPOTs). Also under this decision unit, DEA maximizes its force multiplier effect by managing the State and Local Task Force program.

FY 2008 Program Changes (+\$148.9 million)

Southwest Border and Methamphetamine Enforcement (+\$29.2 million)

The Southwest Border (SWB) of the United States is the principal arrival zone for most illicit drugs smuggled into the United States, as well as the predominant staging area for their subsequent distribution throughout the country. According to the El Paso Intelligence Center's (EPIC) drug seizure data, most of the cocaine, marijuana, methamphetamine, and Mexican-source heroin available in the United States are smuggled into the country across the SWB from Mexico. In order to combat this threat, DEA has requested a variety of enhancements that include the following components:

» **Helicopters and High Definition Camera Systems (\$10.4 million)**

DEA requests an enhancement of \$10.4 million to purchase three helicopters and four high definition camera systems to support SWB operations. In order to combat gatekeepers that manage geographically specific entry points along the United States-Mexico border and secure the SWB, DEA will need to rely heavily on aviation support equipped with advance surveillance capabilities.

» **Mexican Methamphetamine Operation (\$0.8 million)**

DEA requests funding for a complex, multi-faceted operation to focus on methamphetamine production, trafficking, chemical diversion, money flow, and intelligence collection. An important component of this operation will target the supply of essential precursor chemicals and equipment utilized by methamphetamine trafficking and manufacturing organizations to facilitate their criminal activity.

» **Operation Knight Moves (\$0.2 million)**

DEA requests a programmatic enhancement for Operation Knight Moves. Operation Knight Moves funding provides for payments to Human Intelligence (HUMINT), investigative travel, and operational expenses. Operation Knight Moves was initiated in 2002 by DEA and the Defense Intelligence Agency (DIA) as a regional HUMINT collection program to develop maritime trafficking intelligence along the Western Caribbean Corridor and Eastern Pacific areas of Central America and Mexico. The operation has since been expanded to include the collection of intelligence on the smuggling, transportation, and crossing of narcotics through Mexico and across the SWB. The revised scope of the collection effort included intelligence on methods of transportation, crossing areas, smuggling techniques, stash locations, routes, and destinations.

» **Operation White Fang (\$0.3 million)**

Operation Noble Hero, based out of the Houston Field Division, will be expanded to Operation White Fang, which will exploit opportunities to impact the clandestine methamphetamine trade across the entire SWB by focusing on the groups responsible for the drug-related violence facilitated by the major Mexican cartels operating along the U.S./Mexico border.

» **Operations Joint Venture and Archangel (\$3.4 million)**

Operations Joint Venture and Archangel target radio communications of drug trafficking organizations (DTOs) and others involved in illegal activities along the SWB. The requested resources will purchase five wide-band radio systems and five remotely located radio towers. Intercepted communications will be transported from these remote sites to the command center located at EPIC.

» **EPIC Gatekeeper Project (\$0.6 million)**

The Gatekeeper Project was initiated to research, analyze and report information on the Mexican DTOs controlling entry corridors along the SWB. This enhancement will fund the expansion of this project through the addition of six intelligence analysts to further support intelligence collection efforts along the SWB.

Online Investigations (+\$3.0 million)

This enhancement will provide operational funding for the support of Internet investigations, Internet intercept capabilities, and computer forensics support. There are increasing instances where traditional drug trafficking organizations rely on the use of the Internet to facilitate their drug trafficking and money laundering activities. In order to remain on the forefront of technological methods used to traffic illicit narcotics, DEA needs to improve and expand its Internet investigative technologies.

Counterterrorism and Intelligence Sharing (+\$6.5 million)

DEA is committed to sharing intelligence with members of the Intelligence Community and other law enforcement agencies to reduce the flow of drugs into the United States. For FY 2008, DEA is seeking to increase its counterterrorism support and information sharing capabilities through the technical refresh of Merlin equipment and the addition of one Special Agent to DOJ's National Gang Targeting, Enforcement and Coordination Center (GangTECC). Also, DEA proposes the

following enhancement for Operation Breakthrough:

» **Operation Breakthrough (\$1.0 million)**

DEA requests an enhancement to establish permanent base funding for Operation Breakthrough. DEA's Operation Breakthrough provides the federal government with a science-based methodology for estimating potential drug crop yields and drug laboratory efficiencies. Operation Breakthrough teams are composed of DEA Intelligence Analysts, Forensic Chemists, Diversion Investigators, and local scientists under contract to DEA. These teams collect and analyze coca leaf and soil samples to determine coca leaf alkaloid content, conduct coca field surveys to measure coca leaf yields per hectare, and interview coca farmers to record crop yields and farming techniques throughout the Andean region. This request will also extend Operation Breakthrough to Afghanistan to examine poppy growth and heroin production and to support counterterrorism efforts in that country.

Base Adjustments (+\$110.2 million)

Includes adjustments to base for the FY 2008 pay raise, GSA rent, change in compensable days, Thrift Savings Plan, federal health insurance premiums, security investigation increases, and other miscellaneous adjustments related to the FY 2007 funding level.

International Enforcement

FY 2008 Request: \$339.3 million

(Includes +\$33.6 million in program changes)

The major focus of DEA's International Enforcement program is the disruption or dismantlement of drug trafficking organizations identified by DEA Country Attachés as the most significant international drug and chemical trafficking organizations, also known as PTOs. Specifically, DEA's foreign country offices focus their investigative efforts on PTOs with a direct connection to DOJ's CPOT targets, which include the most significant international command and control organizations threatening the United States as identified by OCDETF member agencies. Recently, the International Narcoterrorism Provisions in the USA Patriot Improvement

and Reauthorization Act of 2005 (Patriot Act) enhanced DEA's investigative authority overseas. DEA now has the authority to pursue drug traffickers who are terrorists or provide funding to terrorists even if the drugs are not destined for the United States. In addition, the Patriot Act makes it a federal crime to engage in drug trafficking to benefit terrorists.

To attack the vulnerabilities of major international drug and chemical trafficking organizations, DEA is working to strengthen partnerships with its international law enforcement counterparts worldwide. With the Drug Flow Prevention initiative, DEA is implementing an innovative, multi-agency strategy, designed to significantly disrupt the flow of drugs, money, and chemicals between the source zones and the United States by attacking vulnerabilities in the supply, transportation systems, and financial infrastructure of major drug trafficking organizations. This new strategy calls for aggressive, well-planned and coordinated enforcement operations in cooperation with host-nation counterparts in global source and transit zones.

**FY 2008 Program Changes (+\$33.6 million)
Merlin (+\$0.6 million)**

Merlin is the primary component of DEA's classified infrastructure and provides the single point of connectivity between DEA offices for rapid transmission of, and access to, classified investigative and intelligence information. This ability is critically important to all domestic and foreign DEA offices. Merlin is the gateway to the classified infrastructure within DEA that enables intelligence analysts and Special Agents to perform their duties in a secure environment. Merlin will provide DEA's National Security Section with secure communications infrastructure that is required to communicate IC requests to both domestic and foreign DEA field offices in a classified environment. Merlin also provides DEA users with their only access to a variety of systems and tools that are widely used to support DEA investigations and intelligence programs. In support of international enforcement, DEA requests \$0.6 million for Merlin. This request is in addition to \$5.4 million enhancement that is a part of the counterterrorism and intelligence sharing initiative previously identified in the domestic enforcement section.

Base Adjustments (+\$33.0 million)

Includes adjustments to base for the FY 2008 pay raise, change in compensable days, federal health insurance premiums, Department of State's Capital Security Cost Sharing and residential guard services charges, foreign cost of living adjustments, and other miscellaneous adjustments related to the FY 2007 funding level.

**State & Local Assistance
FY 2008 Request: \$36.6 million**

(Includes -\$43.9 million in program changes)

DEA provides direct assistance to state and local law enforcement through its State and Local Law Enforcement Officer Training. Also, DEA supports state and local efforts with specialized programs aimed at reducing the demand for and availability of drugs, including marijuana eradication through the Domestic Cannabis Eradication/Suppression program.

**FY 2008 Program Changes (-\$43.9 million)
Mobile Enforcement Teams (MET) Program
(-\$20.6 million)**

The budget incorporates the reduction of the MET program. MET teams are deployed on a temporary basis to assist state and local law enforcement in areas that have been overrun with drug-related violent crime. To better support DEA's mission and fund higher priority initiatives, DEA proposes to reduce the MET program.

Base Adjustments (-\$23.3 million)

Includes adjustments to base for the FY 2008 pay raise, GSA rent, change in compensable days, Thrift Savings Plan, federal health insurance premiums, and security investigation increases.

Performance

Introduction

This section on the FY 2006 performance of the DEA program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table below includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The 2003 PART assessment concluded that DEA had made progress in achieving its performance goals, revising budget submissions to track performance, and implementing monitoring systems to enable DEA headquarters to review resource allocation. DEA was assigned an overall rating of “Adequate.”

DEA focuses on PTOs, which are of two types – those linked to CPOT and non-CPOT related priority targets. During FY 2006, DEA disrupted and dismantled 231 international and domestic priority targets linked to CPOT targets and 1,074 international and domestic priority targets not related to CPOT targets.

Discussion

Targeting the financial infrastructures of major drug trafficking organizations and members of the financial community who facilitate the laundering of proceeds is a vital component of DEA’s overall strategy. In order to cripple drug cartels so that they are unable to reconstitute their operations with new leadership, DEA created a plan to increase its drug and asset seizures through new domestic and international seizure strategies. In FY 2006, DEA seized a combined total of \$1.6 billion in drugs and assets, which is a 60 percent increase over FY 2005.

While drug seizure data are readily available, they do not fully capture the impact of disrupted or dismantled PTOs

on drug availability. In an effort to evaluate DEA’s impact on drug availability, the agency piloted the Significant Investigation Impact Measurement System (SIIMS) in FY 2004 and FY 2005. SIIMS is a system designed to assess the impact that the disruption or dismantlement of major drug trafficking organizations has on a wide range of variables such as drug availability, crime statistics, and other quality-of-life factors. Under SIIMS, DEA collects and analyzes comprehensive enforcement, public health, and social service statistics before and six-months after the takedown of the targeted organization.

DEA’s objective is ultimately to dismantle PTOs, ensuring that these criminal organizations cannot reestablish themselves. In FY 2006, DEA continued to experience significant success, exceeding its FY 2006 target for PTOs not linked to CPOTs by 59 percent. Although more investigative work hours were spent on disrupting and dismantling PTOs linked to CPOTs, these organizations have become more complex, resulting in more labor intensive cases, leading to a lower number of CPOT-linked PTOs being disrupted and dismantled in FY 2006. However, the FY 2006 amount of PTOs disrupted and dismantled surpassed FY 2005 achievement levels by 13 percent.

Drug Enforcement Administration			
PART Review			
Year of Last Review: 2003		Rating Received: Adequate	
Evaluation Area	Score	Review Highlights Below:	
Purpose	100	DEA has made progress in meeting performance goals, revising its budget submission to track performance, developing appropriate long-term and annual performance measures, and revising the strategic plan to include a focus that encompasses all of DEA’s programs.	
Planning	88		
Management	83		
Results	26		
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Contribution to DOJ’s goal to reduce the availability of drugs in the U.S.		*	*
» Number of active international and domestic priority targets linked to CPOT targets that were disrupted or dismantled.		277	231
» Number of active international and domestic priority targets not linked to CPOT targets disrupted or dismantled.		677	1,074

* Measure under development

DEPARTMENT OF JUSTICE

Interagency Crime and Drug Enforcement

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Intelligence	32.660	35.692	44.072
Investigations	318.753	317.641	326.176
Prosecution	131.776	131.776	138.906
Total Drug Resources by Function	\$483.189	\$485.109	\$509.154
Drug Resources by Decision Unit			
Investigations:			
Bureau of Alcohol, Tobacco, Firearms & Explosives	11.323	11.323	11.530
Drug Enforcement Administration	196.176	195.265	199.689
Federal Bureau of Investigation	136.748	136.547	138.608
OCDETF Fusion Center	0.141	3.173	11.868
U.S. Marshals Service	7.025	7.025	8.553
Prosecution:			
Criminal Division	2.703	2.703	2.743
Tax Division	0.984	0.984	0.994
U.S. Attorneys	128.089	128.089	135.169
Total Drug Resources by Decision Unit	\$483.189	\$485.109	\$509.154
Drug Resources Personnel Summary			
Total FTEs (direct only)	3,299	3,521	3,522
Drug Resources as a Percent of Budget			
Total Agency Budget	\$483.189	\$485.109	\$509.154
Drug Resources Percentage	100.00%	100.00%	100.00%

Program Summary

Mission

The Organized Crime Drug Enforcement Task Force (OCDETF) program was established in 1982 as a multi-agency partnership of federal law enforcement agencies and prosecutors, with assistance from state and local police departments, to identify, dismantle, and disrupt sophisticated national and international drug trafficking

and money laundering organizations. By combining the resources, expertise, and statutory authorities of member agencies, OCDETF does what no single agency can do alone. OCDETF's attack on all the related components of major trafficking organizations not only will disrupt the drug market, resulting in a reduction in the drug

supply, but also will bolster law enforcement efforts in the fight against those terrorist groups supported by the drug trade.

Budget

For FY 2008, OCDETF requests \$509.2 million, which is an increase of \$24.1 million over the FY 2007 level. The majority of OCDETF's funding goes to payroll costs for agents, analysts, and attorneys performing investigative, intelligence, and prosecutorial work.

OCDETF focuses on key program priorities in order to effectively and efficiently support its mission. OCDETF's major priority is the Consolidated Priority Organization Target (CPOT) List, which is a unified agency list of the top drug trafficking and money laundering targets. OCDETF regions also target and identify Regional Priority Organization Targets (RPOTs), which represent the most significant drug and money laundering organizations threatening the regions. In addition, OCDETF requires that all cases include a financial investigation to enable the identification and destruction of financial systems supporting drug organizations.

OCDETF is also developing co-located strike forces in key cities around the country to aggressively target the highest-level trafficking organizations and to serve as a central point of contact for OCDETF agents and prosecutors nationwide, gathering intelligence and disseminating leads throughout neighboring areas. Along with OCDETF's other priorities, these strike forces, are critical to agency's ability to address some of the most significant drug threats facing the United States, including the importation of drugs via maritime routes and across the Southwest Border.

Operation Panama Express (PANEX), which is estimated to be funded at \$14 million in FY 2008, is one of OCDETF's most successful strike forces. PANEX is a long-term investigative program that seeks to dismantle drug trafficking organizations responsible for the supply of cocaine to the United States. PANEX harnesses the investigative and intelligence capabilities of numerous agencies, including the Drug Enforcement Administration (DEA), Federal Bureau of Investigation (FBI), Immigration and Customs Enforcement (ICE), Internal Revenue Service (IRS), and the United States Coast Guard (Coast Guard), to combat drug traffickers.

PANEX has recently been designated as one of only high priority co-located task forces. This program, as well as other priorities, are being implemented with resources from OCDETF's Investigations and Prosecution programs.

Investigations

Total FY 2008 Request: \$370.3 million

(Includes +\$16.9 million in program changes)

Investigations include the reimbursable resources that support investigative activities of the following participating agencies: Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), DEA, FBI, and the U.S. Marshals Service (USMS). (The President's Budget proposes funding investigative activities for ICE, Coast Guard, and IRS in support of the OCDETF program out of the direct appropriations of the Departments of Homeland Security and Treasury.) Also included are the reimbursable resources that support the intelligence activities of OCDETF's member agencies and the OCDETF Fusion Center.

Bureau of Alcohol, Tobacco, Firearms, and Explosives

FY 2008 Request: \$11.5 million

(Includes +\$0.2 million in program changes)

The FY 2007 resources of \$11.3 million support ATF's investigative activities as a member of the OCDETF program. ATF Agents focus on major drug traffickers who have violated laws related to the illegal trafficking and misuse of firearms, arson, and explosives. Firearms often serve as a form of payment for drugs and, together with explosives and arson, are used as tools by drug organizations in order to intimidate, enforce, and retaliate against their own members, rival organizations, or the community in general. Thus, ATF's jurisdiction and expertise is vital in combating illegal drugs.

FY 2008 Program Changes (+\$0.2 million)

The Budget includes a modest upward adjustment for a pay raise and other inflationary increases.

Drug Enforcement Administration

FY 2008 Request: \$199.7 million

(Includes +\$4.4 million in program changes)

The FY 2007 resources of \$195.3 million support DEA's involvement in OCDETF investigations. DEA is the agency most actively involved in the OCDETF program with a participation rate in investigations that exceeds

80 percent. DEA is the only federal agency in OCDETF that has drug enforcement as its sole responsibility. The agency's vast experience in this field, its knowledge of international drug rings, its relationship with foreign law enforcement entities, and its working relationships with state and local authorities have made DEA an essential partner.

FY 2008 Program Changes (+\$4.4 million)

The Budget includes adjustments for a pay raise and other inflationary increases.

Federal Bureau of Investigation

FY 2008 Request: \$138.6 million

(Includes +\$2.1 million in program changes)

The FY 2007 resources of \$136.6 million support FBI's involvement in OCDETF investigations. FBI brings to OCDETF its extensive expertise in the investigation of traditional organized crime and white collar/financial crimes. FBI uses its skills to gather and analyze intelligence data and to undertake sophisticated electronic surveillance. FBI, despite its other priorities, is committed to the OCDETF program and to the goal of targeting major drug trafficking organizations and their financial infrastructure.

FY 2008 Program Changes (+\$2.1 million)

The Budget includes adjustments for a pay raise and other inflationary increases.

U.S. Marshals Service

FY 2008 Request: \$8.6 million

(Includes +\$1.5 million in program changes)

The FY 2007 resources of \$7.0 million support the U.S. Marshals Service's involvement in OCDETF investigations. USMS is the specialist agency responsible for the apprehension of OCDETF fugitives. Fugitives are typically repeat offenders who flee apprehension only to continue their criminal enterprise elsewhere. Their arrest by USMS immediately makes the community in which they were hiding and operating a safer place to live. USMS is responsible for apprehension of approximately 90 percent of all OCDETF fugitives.

FY 2008 Program Changes (+\$1.5 million)

The Budget includes adjustments for a pay raise and other inflationary increases.

OCDETF Fusion Center

FY 2008 Request: \$11.9 million

(Includes +\$8.7 million in program changes)

The FY 2007 resources of \$3.2 million will enhance OCDETF's overall capacity to engage in intelligence-driven law enforcement. The OCDETF Fusion Center (OFC), which commenced operations during FY 2006, is a comprehensive data center containing all drug and related financial intelligence information from six OCDETF-member investigative agencies, and the Financial Crimes Enforcement Network. OFC is designed to conduct cross-agency integration and analysis of drug and related financial data, to create comprehensive intelligence pictures of targeted organizations, including those identified as CPOTs and RPOTs, and to pass actionable leads through the multi-agency Special Operations Division (SOD) to OCDETF participants in the field. These leads will ultimately result in the development of better-coordinated, more comprehensive, multi-jurisdictional OCDETF investigations of the most significant drug trafficking and money laundering networks.

FY 2008 Program Changes (+\$8.7 million)

The Budget requests funding for a full-time Fusion Center Director, providing oversight and management of OFC. The remaining funding will support the operation and maintenance of the OCDETF Fusion Center's technical infrastructure, as well as enhanced analytical support.

Prosecution

Total FY 2008 Request: \$138.9 million

(Includes +\$7.1 million in program changes)

Prosecution includes reimbursable resources from the ninety-four U.S. Attorneys offices around the country (executed through the Executive Office for U.S. Attorneys) and the Criminal and Tax Divisions of the Department of Justice.

Criminal Division

FY 2008 Request: \$2.7 million

(Includes no program changes)

The FY 2007 resources of \$2.7 million aid the Criminal Division's Office of Enforcement Operations direct operational support to U.S. Attorneys offices as it reviews all applications for electronic surveillance and assists agents and attorneys by providing guidance on the justification for and development of such applications.

With the increasing complexity and scope of OCDETF cases, senior attorneys are called upon with greater frequency to assist in the supervision and prosecution of OCDETF cases. The Criminal Division's Narcotics and Dangerous Drugs Section (NDDS) attorneys, in particular, play a critical role in supporting and coordinating nationwide investigations through their work with the multi-agency SOD. NDDS attorneys also assist U.S. Attorneys' offices across the country in drafting wiretap applications and otherwise help with wiretap investigations.

FY 2008 Program Changes (None)

The Budget includes no program changes.

Tax Division

**FY 2008 Request: \$0.9 million
(Includes no program changes)**

The FY 2007 resources of \$0.9 million support the Tax Division's nationwide review and coordination of all tax charges in OCDETF cases, as well as assistance in OCDETF money laundering investigations. Tax Division attorneys communicate frequently with regional IRS coordinators to remain aware of new developments. Attorneys also maintain a clearinghouse of legal and investigative materials.

FY 2008 Program Changes (none)

The Budget includes no program changes.

U.S. Attorneys

**FY 2008 Request: \$135.2 million
(Includes +\$7.1 million in program changes)**

The FY 2007 resources of \$128.1 million support the U.S. Attorneys' involvement in the development of case strategy for OCDETF investigations and prosecutions. Experienced OCDETF attorneys are able to coordinate investigative efforts more efficiently and minimize the

risk of legal challenges because of their familiarity with the intricacies of drug trafficking investigations. Their involvement ensures that the prosecutions are well prepared, comprehensively charged, and expertly handled.

FY 2008 Program Changes (+\$7.1 million)

The Budget includes adjustments for a pay raise and other inflationary increases.

Performance

Introduction

This section on the FY 2006 performance of the OCDETF program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The OCDETF program will not be reviewed under the Administration's PART process because the agencies (and the related programs) OCDETF reimburses (i.e., FBI, DEA, USMS) have been individually assessed.

OCDETF monitors performance in two program areas: investigations and prosecutions. For investigations, OCDETF tracks the percent of active investigations linked to the CPOTs list and the number of CPOT-linked organizations dismantled or disrupted. For prosecutions, OCDETF measures the number and percent of convicted OCDETF defendants connected to CPOTs.

OCDETF		
No PART Assessment Made		
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Number of convicted OCDETF defendants connected to CPOTs.	360	388
» Percent of convicted OCDETF defendants connected to CPOTs.	5%	5%
» Percent of active OCDETF investigations linked to CPOTs.	18%	14%
» Number of CPOT-linked organizations dismantled/disrupted.	255	199

Discussion

While only about 33 percent of active OCDETF investigations are linked to CPOTs (14 percent) or RPOTs (19 percent), the remaining 67 percent of cases are significant, multi-district investigations that received OCDETF designation because of their potential to link to a CPOT, RPOT, or other significant nationwide drug-trafficking or money laundering network.

The OCDETF program strives to link its investigations to those organizations designated as CPOTs and/or RPOTs. However, to ensure data integrity, the OCDETF Executive Office has instituted strict guidelines on what constitutes a valid link to a CPOT or RPOT – credible, corroborated information that demonstrates the linkage to a target designated in the CPOT or RPOT lists.

OCDETF initiated 968 new cases in FY 2006. The percent of active investigations linked to CPOTs is lower than the target, reflecting the establishment of improved validation procedures to ensure strong case justifications by district and regional coordination groups. While OCDETF did not meet the expected target for number of CPOT-linked organizations dismantled/disrupted, it still achieved significant results against these organizations.

OCDETF reports continuing success in asset seizures and forfeitures. A large percent of investigations result in the forfeiture of assets and proceeds – the program continues to report an upward trend in the dollar amount of such forfeitures. In FY 2006, OCDETF seized approximately \$300 million while forfeitures amounted to over \$382 million.

DEPARTMENT OF JUSTICE
Office of Justice Programs

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Prevention	29.617	29.935	0.000
State and Local	188.879	183.888	109.369
Treatment	19.744	13.931	69.500
Total Drug Resources by Function	\$238.240	\$227.754	\$178.869
Drug Resources by Decision Unit			
Regional Information Sharing System	39.719	39.676	38.469
Domestic Cannabis Eradication/Suppression	4.936	0.000	–
Drug Courts	9.872	8.931	–
Enforcing Underage Drinking Laws	24.681	25.000	0.000
Methamphetamine Enforcement and Clean Up	62.778	62.778	–
Prescription Drug Monitoring	7.404	7.404	–
Residential Substance Abuse Treatment	9.872	5.000	–
Southwest Border Prosecutors	29.617	29.617	–
Weed and Seed	49.361	49.348	–
Byrne Public Safety and Protection	–	–	140.400
Total Drug Resources by Decision Unit	\$238.240	\$227.754	\$178.869
Drug Resources Personnel Summary			
Total FTEs (direct only)	75	75	75
Drug Resources as a Percent of Budget			
Total Agency Budget	\$2,032.400	\$1,637.800	\$1,006.400
Drug Resources Percentage	11.72%	13.91%	17.77%

Program Summary

Mission

The Justice Assistance Act of 1984 established the Office of Justice Programs (OJP). OJP 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, there are specific resources dedicated to support of the National Drug Control Strategy.

Budget

In FY 2008, OJP requests \$178.9 million for drug-related activities, which is a decrease of \$48.9 million from the FY 2007 level. As will be detailed, the creation of the new Byrne Public Safety and Protection (Byrne) program has altered the allocation of funding for several OJP drug control programs. While OJP continues to support

legacy program operations in FY 2008, a reduction in resources nevertheless results from a consolidation of programs under Byrne.

Regional Information Sharing System

Total FY 2008 Request: \$38.5 million

(Includes –\$1.2 million in program changes)

The Regional Information Sharing System (RISS) is the only national criminal intelligence system operated by and for state and local law enforcement agencies. Six regional intelligence centers operate in all 50 states, the District of Columbia, and U.S. territories, with some member agencies in Canada, Australia, and England. These regional centers facilitate information sharing and communications to support member agency investigative and prosecution efforts by providing state-of-the-art investigative support and training, analytical services, specialized equipment, secure information-sharing technology, and secure encrypted e-mail and communications capabilities to over 6,000 municipal, county, state, and federal law enforcement agencies nationwide.

The FY 2007 resources of \$39.7 million will enhance intelligence analysis capabilities to aid in the fight against drugs, terrorism, human trafficking, identity theft, cybercrime, gangs, and other major criminal activity. This will be achieved through the electronic connection and integration of other systems that operate with RISS and continued efforts to participate in information sharing initiatives.

FY 2008 Program Changes (–\$1.2 million)

The Budget proposes a reduction of \$1.2 million for RISS in FY 2008.

Enforcing Underage Drinking Laws

Total FY 2008 Request: \$0 million

(Includes –\$25.0 million in program changes)

The Enforcing Underage Drinking Laws program supports and enhances efforts by states and local jurisdictions to prohibit the purchase and consumption of alcoholic beverages by minors. Minors are defined as individuals under 21 years of age.

The FY 2007 resources of \$25.0 million will support funding to enforce state laws prohibiting the purchase or consumption of alcoholic beverages by minors.

FY 2008 Program Changes (–\$25.0 million)

The Budget does not request funding for this program.

Byrne Public Safety and Protection

Total FY 2008 Request: \$140.4 million

(Includes –\$22.7 in program changes)

The Byrne Public Safety and Protection program, which is requested at \$350.0 million (\$140.4 drug-related) in FY 2008, consolidates the most successful OJP law enforcement assistance programs into a single, flexible grant that will help state, local, and tribal governments develop programs appropriate to the particular needs of their jurisdiction. Through a competitive grant process, OJP will focus assistance on those jurisdictions experiencing significant criminal justice problems and assist state and local governments in addressing a number of high-priority criminal justice concerns. Based upon the collection of programs within Byrne, approximately 40 percent of the program can be considered drug-related. The following legacy programs are included in the new Byrne grant:

Domestic Cannabis Eradication and Suppression

The Domestic Cannabis Eradication and Suppression program is the only nationwide operation that exclusively targets marijuana. This program is designed to halt the spread of marijuana cultivation in the United States through eradication campaigns and suppression programs. Financial assistance is provided for operations, training, and guidance to over 100 state and local law enforcement agencies. Marijuana continues to be the most widely used and readily available drug in the United States and it is the only major drug of abuse grown within U.S. borders.

Drug Courts

The Drug Court program provides alternatives to incarceration by using the coercive power of the court to force abstinence and alter behavior with a combination of escalating sanctions, mandatory drug testing, treatment, and strong aftercare programs. The long-term direction of the Drug Court program is shifting from an emphasis on creating new drug courts to improving state and local capacity to enhance and sustain existing ones.

Residential Substance Abuse Treatment

The Residential Substance Abuse Treatment (RSAT) program for state prisoners was established to help states

and units of local governments develop, implement, and improve substance abuse treatment programs in correctional facilities and establish and maintain community-based aftercare services for probationers and parolees. Ultimately, the goal of every RSAT-funded program is to help offenders become drug-free and learn the skills needed to sustain themselves upon return to the community.

Prescription Drug Monitoring Program

The purpose of the Prescription Drug Monitoring Program (PDMP) is to enhance the capacity of regulatory and law enforcement agencies to collect and analyze controlled substance prescription data. The program assists states that want to establish a PDMP. Objectives of the program include, (1) building a data collection and analysis system at the state level; (2) enhancing existing programs' ability to analyze and use collected data; (3) facilitating the exchange of collected prescription data between states; and, (4) assessing the efficiency and effectiveness of the programs funded under this initiative.

Prisoner Reentry

The Prisoner Reentry program supports strategies to deliver pre-release assessments and services, as well as develop transition plans in collaboration with other justice and community-based agencies and providers for supervised and non-supervised, nonviolent offenders. Grants include an assessment/planning phase not to exceed 3 months following the award start date, with implementation occurring in the remaining project period.

Southwest Border Prosecutors

This program provides funding for local prosecutor offices in the four Southwest Border States: (1) California, (2) New Mexico, (3) Arizona, and (4) Texas for the costs of processing, detaining, and prosecuting drug and other cases referred from federal arrests or federal investigations. The program also protects against foreign threats by supporting costs associated with a border area that has a significantly higher degree of vulnerability than many other areas in the continental United States.

Weed and Seed

The Weed and Seed program provides assistance to address violent crimes and gang-related activities in adversely-impacted neighborhoods. The Weed and Seed program develops the capacity of some of the country's most violent communities to not only address their crime

problems, but also begin the process of converting these highly distressed areas into thriving neighborhoods. Over 300 communities have been helped with coordination of law enforcement efforts while developing their capacity to implement crime prevention programs such as Safe Havens, after-school enrichment activities, and treatment options.

FY 2008 Program Changes (–\$22.7 million)

The consolidation of legacy programs under Byrne results in a reduction of \$22.7 million in resources.

Performance

Introduction

This section on the FY 2006 performance of OJP is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table on the next page includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The Drug Court program received an overall 2002 PART rating of "Results Not Demonstrated," partially because of performance measures that focused on outputs (the number of drug courts) instead of the effectiveness of the courts. The PART assessment is expected to be updated in 2007.

The RSAT program received an overall 2002 PART rating of "Results Not Demonstrated," partially because of performance measures that focused on outputs (the number of offenders treated) instead of the effectiveness of the treatment.

The Weed and Seed program received a rating of "Results Not Demonstrated" in the 2004 PART review. With refinements to both long-term and annual performance goals, the program improved its overall rating to "Adequate." Weed and Seed improved training and is working with grantees to improve their ability to operate. Weed and Seed has adopted goals and begun tracking the number of homicides per site and the percent reduction in homicides per site.

Drug Courts Program

Drug Courts			
PART Review			
Year of Last Review: 2002		Rating Received: Results Not Demonstrated	
Evaluation Area	Score	Review Highlights Below:	
Purpose	100	The program is generally well-managed but faces challenges in developing outcome-oriented measures focusing on post-program recidivism.	
Planning	57		
Management	82		
Results	53		
Selected Measures of Performance			FY 2006 Target
» Total number of drug courts (cumulative).			690
			FY 2006 Achieved
			673

Discussion

The total number of drug courts established in FY 2006 reflects funding for that year. This measure was implemented beginning in FY 2005. OJP is currently funding a multi-year, longitudinal study through NIJ focusing on recidivism of drug court graduates. Results will be available in 2008.

Residential Substance Abuse Treatment (RSAT)

RSAT			
PART Review			
Year of Last Review: 2002		Rating Received: Results Not Demonstrated	
Evaluation Area	Score	Review Highlights Below:	
Purpose	60	Linking funding and performance has been complicated by treatment cost variations; also by the lack of reliable data.	
Planning	71		
Management	56		
Results	20		
Selected Measures of Performance			FY 2006 Target
» Of the offenders that complete the program, the number who have remained arrest-free for 1 year following release from aftercare.*			1,700
» Number of participants.**			17,500
			FY 2006 Achieved
			-
			**

Baseline of 1,688 participants was established in 2005. Data will be available in April 2007.

** FY 2006 actuals will be available in March 2007.

Discussion

Since FY 2002, states with existing in-prison drug treatment programs in compliance with federal requirements are allowed to use up to 10 percent of RSAT grants to fund a full continuum of drug treatment services, including treatment and sanctions, both during incarceration and after release. Aftercare services are available to inmates enrolled in RSAT-funded programs as a condition of release (integrated into the parole agreement). These provide better transitional services in an effort to lower recidivism rates. OJP now requires grantees to collect data for new measures addressing treatment costs related to residential and aftercare programs, recidivism, and reduction in substance abuse.

Weed and Seed

Weed and Seed			
PART Review			
Year of Last Review: 2004		Rating Received: Adequate	
Evaluation Area	Score	Review Highlights Below:	
Purpose	100	The program has improved training, and has begun tracking the reduction of crimes such as homicide in Weed and Seed sites.	
Planning	75		
Management	90		
Results	33		
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Percent reduction in homicides per Weed and Seed funded sites.		1.2%	TBR*
» Number of homicides per site.		4.3	TBR*

*Data is collected on an annual calendar year basis and will not be available until Spring 2007.

Discussion

The base year for the “Percent reduction of homicides” was 2002 with a baseline of 2.17 percent reduction. Since Weed and Seed reports on a calendar year basis, this baseline represents the average change in number of homicides from the previous year to the reporting year. In 2006, 2007, and 2008 the target is to reduce homicides by 1.2 percent.

OFFICE OF NATIONAL DRUG CONTROL POLICY



OFFICE OF NATIONAL DRUG CONTROL POLICY

Counterdrug Technology Assessment Center

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Research and Development	13.860	9.600	5.000
State and Local Assistance	15.840	10.000	–
Total Drug Resources by Function	\$29.700	\$19.600	\$5.000
Drug Resources by Decision Unit			
Research and Development	13.860	9.600	5.000
Technology Transfer Program	15.840	10.000	–
Total Drug Resources by Decision Unit	\$29.700	\$19.600	\$5.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Drug Resources as a Percent of Budget			
Total Agency Budget	\$29.700	\$19.600	\$5.000
Drug Resources Percentage	100.00%	100.00%	100.00%

Program Summary

Mission

The Counterdrug Technology Assessment Center’s (CTAC) mission is to serve as the central counterdrug technology research and development organization of the federal government. It was established by the Counternarcotics Technology Act of 1990 (P.L. 101-510) and reauthorized in 2006. CTAC sponsors a counterdrug research program to advance the capabilities of drug control agencies responsible for both supply and demand reduction activities.

Budget

In FY 2008, ONDCP requests \$5.0 million for the CTAC program, which is a decrease of \$14.6 million from the FY 2007 level. These resources will enable CTAC to oversee and coordinate a counterdrug research program that supports the goals of the National Drug Control Strategy.

Research and Development

Total FY 2008 Request: \$5.0 million
(Includes –\$4.6 million in program changes)

The FY 2007 resources of \$9.6 million will provide support to law enforcement operations by developing advancements in technology that improve capabilities, such as drug detection, communications, surveillance, and information sharing. In addition, funding will support demand reduction activities. Resources finance outreach efforts that inform academic, private sector, and international government organizations on the progress of counterdrug research. Outreach provides a forum to solicit innovative solutions that satisfy the dynamic needs of stakeholders. Funds will also provide technical support to develop and administer the research program.

FY 2008 Program Changes (-\$4.6 million)

The Budget proposes to reduce the Research and Development component of the CTAC program by \$4.6 million in FY 2008.

Technology Transfer Program**Total FY 2008 Request: \$0****(Includes -\$10.0 million in program changes)**

The FY 2007 resources of \$10.0 million will support the Technology Transfer Program (TTP) to enhance the investigative capabilities of state and local law enforcement agencies (LEAs). TTP transfers drug crime fighting technologies to state and local law enforcement agencies. Applicants to the program select from items available in a catalog of technologies vetted by TTP's regional law enforcement experts as being proven in the field. TTP is unique in that applicants receive the actual technologies (rather than grant dollars) and are required to attend training on their use prior to receipt. CTAC is able to track each piece of delivered equipment in the field and solicit feedback from recipients via follow-up evaluations on its effectiveness to improve the catalog of available technologies over time.

FY 2008 Program Changes (-\$10.0 million)

The Budget proposes to eliminate the Technology Transfer Program in FY 2008.

Performance

Introduction

This section on the FY 2006 performance of the CTAC programs is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The tables include conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The 2003 PART rating of "Results Not Demonstrated" was based on a finding that both the Research and Development (R&D) and Technology Transfer Programs utilized unsystematic prioritization processes, lacked baselines and performance targets, and had not undertaken independent evaluations. New measures have since been developed and established in FY 2005. Additionally, Deloitte completed an independent assessment of both R&D and TTP in the second quarter of FY 2005. Recommendations for improvement, based on this management review, are currently being implemented. These changes will significantly enhance the performance and accountability of CTAC.

CTAC: Research & Development				
Year of Last Review: 2003		PART Rating Received: Results Not Demonstrated		
Evaluation Area	Score	Review Highlights		
Purpose	80	Baselines and targets are needed. Program lacked prioritization of submitted proposals. Performance results should be made public.		
Planning	30			
Management	70			
Results	7			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Percent of demand-reduction research funding allocated to National Strategy Priorities*			N/A	N/A
» Percent of prototype systems procured.			20%	10%
» Percent of CTAC supply-reduction R&D funding allocated on identified IAWG-T requirements.			75%	50%
» New research projects initiated to expand understanding of the demand-side of illegal drug markets.*			N/A	N/A
» New research projects initiated to expand understanding of the supply-side of illegal drug markets.*			N/A	N/A

*New measure-- data will be available FY 2007.

Research and Development Program Discussion

In FY 2006, CTAC funded a project for testing a methodology to assess the feasibility of using remote imaging to identify outdoor marijuana grows for eradication. Outdoor marijuana was successfully identified and their locations passed to local law enforcement but the methodology was not cost-effective.

Prior year CTAC funding enabled the completion in FY 2006 of the purchase of a Bruker 4-Tesla imaging machine by Case Western Reserve University. Research on the new machine will include the study of children born to cocaine and methamphetamine-addicted mothers. The University’s Psychiatry Department has been interviewing such children for 15 years. They will now be able to assess better the long-term effects of addiction as they view images of the brain with this MRI.

The TTP provides proven, appropriate technologies to law enforcement agencies, as well as the necessary training in the use and operation of such technology. Recipients are polled directly via a follow-up survey regarding the usefulness and safety, as well as other aspects, of the donated technology. Since the survey for the FY 2006 takes place six months after the deliveries, performance results based on customer feedback will not be available until March 2007.

Other indications of success include the award of the FBI’s Electronic Surveillance Case of the Year to the Milwaukee Police Department and the Wisconsin Department of Justice (Division of Criminal Investigations) in September of 2006. The Wisconsin DOJ was able to utilize electronic surveillance equipment provided through TTP to make critical contributions – a hallmark case of technology integration in criminal investigations.

Technology Transfer Program Discussion

CTAC has taken steps to address each of the PART findings for TTP. Annual and long-term performance measures, baselines, targets, and timeframes have been developed. In addition, TTP has refined the application process ensuring that worthy applicants continue to receive technologies in a competitive manner. Such prioritization ensures that TTP managers are able to administer the program more efficiently with an equitable equipment distribution scheme.

CTAC: Technology Transfer Program				
Year of Last Review: 2003			PART Rating Received: Results Not Demonstrated	
Evaluation Area	Score	Review Highlights		
Purpose	80	Baselines and targets are needed. Program lacked prioritization, operated on a “first-come, first-served” basis. Performance results should be made public.		
Planning	38			
Management	60			
Results	11			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Percent of recipient agencies that report improved efficiency relative to officer safety, investigative capability, and investigative effectiveness.			75%	TBR
» Percent of total costs dedicated to administrative expenses.			10%	12.5%
» Percentage of recipient agencies that report TTP equipment has provided a technological solution to an investigative requirement.			95%	TBR

OFFICE OF NATIONAL DRUG CONTROL POLICY

High Intensity Drug Trafficking Areas

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Intelligence	49.239	49.364	48.203
Interdiction	25.690	25.755	25.149
Investigations	132.759	132.547	129.666
Prevention	2.212	2.212	2.212
Prosecution	8.563	8.585	8.383
Research & Development	1.980	2.550	2.100
Treatment	4.287	4.287	4.287
Total Drug Resources by Function	\$224.730	\$225.300	\$220.000
Drug Resources by Decision Unit			
High Intensity Drug Trafficking Areas	224.730	225.300	220.000
Total Drug Resources by Decision Unit	\$224.730	\$225.300	\$220.000
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Drug Resources as a Percent of Budget			
Total Agency Budget	\$224.730	\$225.300	\$220.000
Drug Resources Percentage	100.00%	100.00%	100.00%

Program Summary

Mission

The HIDTA program was established by the Anti-Drug Abuse Act of 1988 to provide assistance to federal, state and local law enforcement entities operating in areas most adversely affected by drug trafficking. HIDTA was reauthorized in the Office of National Drug Control Policy Reauthorization Act of 2006 (P.L. 109-469). The program brings together representatives from law enforcement, criminal justice, and demand reduction disciplines to forge partnerships for developing effective multi-agency, multidisciplinary responses to regional drug problems.

Budget

In FY 2008, ONDCP requests \$220.0 million, which is a decrease of \$5.3 million from the FY 2007 level.

High Intensity Drug Trafficking Areas Program

**Total FY 2008 Request: \$220.0 million
(Includes –\$5.3 million in program changes)**

The FY 2007 level includes \$225.3 million to provide assistance to federal, state, and local agencies in each HIDTA region to carry out activities that address the specific drug threats of that region. A central feature

of the HIDTA program is the discretion granted to HIDTA Executive Boards to design and carry out activities that reflect the specific drug trafficking threats found in each HIDTA region. This discretion ensures that each HIDTA Executive Board can tailor its strategy and initiatives closely to local conditions and can respond quickly to changes in those conditions. In FY 2006, these locally-designed strategies used 57 percent of HIDTA funds (\$128 million) for multi-agency investigative task forces and highway interdiction initiatives and 19 percent (\$42 million) for intelligence and information sharing initiatives. Smaller amounts were used for administration (\$27 million), operational support (\$13 million), prosecution (\$7 million), and demand reduction activities (\$6 million).

FY 2008 Program Changes (-\$5.3 million)

The \$5.3 million reduction will be allocated to HIDTA budgets.

Performance

Introduction

This section on the FY 2006 performance of the HIDTA program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The 2003 PART review rated the program “Results Not Demonstrated” pointing to the lack of long-term or annual goals, lack of accountability of managers and partners, and the unavailability of performance data to the public. The program has, since then, established a comprehensive Performance Management Process (PMP) that monitors and reports the performance of individual HDTAs. These results will soon be aggregated to enable assessment of the national program. Meanwhile, individual HIDTA performance data are used in setting targets and in managing the program.

In 2006, HDTAs submitted their 2005 annual reports using, for the first time, the format and core tables prescribed by PMP. The reports marked the first opportunity to use this system to collect standard program-wide information on key outputs and, also

for the first time, to aggregate that information into a program-wide total. However, because the 2005 Strategies and Budgets for each HIDTA were submitted to ONDCP in May 2004, before PMP was implemented, those documents did not include targets established using PMP definitions. Consequently, ONDCP cannot use the 2005 Annual Reports to assess the performance of individual HDTAs in a uniform manner. However, these reports, along with prior annual reports, will be used to establish baseline performance levels for each HIDTA in subsequent years.

Discussion

In response to the 2003 PART findings described above, ONDCP requested the assistance of a group of HIDTA Directors to develop performance measures for the program. The result was the PMP, which monitors the extent to which individual HDTAs meet performance goals they negotiate with ONDCP. The central element of the PMP is a set of 14 required “core” tables that standardize the collection of key data; e.g., the number of Drug Trafficking Organizations (DTO) identified and targeted in each HIDTA, the value of illegal drugs seized or destroyed, and the operational scope (i.e., local, multi-state, and or international) of the targeted DTOs. As part of its annual budget submission, each HIDTA must establish performance targets for the upcoming year for these core areas, and, at the end of the year, account for its performance against these targets.

During FY 2006, ONDCP and contract staff visited 26 of the HDTAs/SWB HIDTA regions specifically to review their PMP implementation processes. As part of these reviews, ONDCP staff met with more than 200 federal agents and state and local law enforcement officers responsible for leading almost 100 HIDTA-funded initiatives. Because of these discussions, ONDCP believes the PMP data submitted by the HDTAs are accurate and warrant a high degree of confidence. The HIDTA Directors, law enforcement personnel, and intelligence analysts interviewed were generally well informed about PMP and were conscientiously implementing the definitions and reporting requirements.

In 2006, ONDCP completed a revision of the policies and procedures used to conduct on-site reviews of the HDTAs. The revisions were designed to focus more on the performance of the HDTAs rather than processes followed to meet program requirements. In particular,

the revised procedures look more closely at progress toward the targets established as part of PMP and review more closely the composition of individual initiatives and the connections of those initiatives to the Threat Assessment and Strategy prepared by each HIDTA. The new review procedures will guide on-site evaluations beginning in FY 2007.

High Intensity Drug Trafficking Areas				
Year of Last Review: 2003		Rating Received: Results Not Demonstrated		
Evaluation Area	Score	Review Highlights		
Purpose	80	Improvements in planning and management have occurred involving a review of individual HDTAs, and development of a new performance measurement system. There are no plans for an independent evaluation of the program.		
Planning	71			
Management	63			
Results	11			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Percent of HDTAs that achieve PMP targets for disrupting and dismantling DTOs, seizing drugs, and dismantling meth labs.			75%	TBR
» Percent of HDTAs that achieve cost-related PMP targets.			75%	TBR

* These targets pertain to (i) average cost per DTO disrupted or dismantled, and (ii) ratio of HIDTA funds to drugs (wholesale value), cash, and assets seized.

OFFICE OF NATIONAL DRUG CONTROL POLICY

Other Federal Drug Control Programs

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Prevention	178.200	180.000	220.000
Research and Development	13.761	12.980	4.485
Treatment	0.990	1.000	–
Total Drug Resources by Function	\$192.951	\$193.980	\$224.485
Drug Resources by Decision Unit			
Drug-Free Communities	79.200	80.000	90.000
National Alliance of Model State Drug Laws	0.990	1.000	–
National Drug Court Institute	0.990	1.000	–
National Youth Anti-Drug Media Campaign	99.000	100.000	130.000
Performance Measures Development	1.485	1.980	0.500
United States Anti-Doping Agency	8.415	8.500	2.285
World Anti-Doping Agency Dues	2.871	1.500	1.700
Total Drug Resources by Decision Unit	\$192.951	\$193.980	\$224.485
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Drug Resources as a Percent of Budget			
Total Agency Budget	\$192.951	\$193.980	\$224.485
Drug Resources Percentage	100.00%	100.00%	100.00%

Program Summary

Mission

The Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy (ONDCP) Reauthorization Act of 2006, established this account to be administered by the Director of ONDCP. The funds appropriated to the program support high-priority drug control programs and may be transferred to drug control agencies.

Budget

In FY 2008, ONDCP requests \$224.5 million for the Other Federal Drug Control Programs (OFDCP), which is an increase of \$30.5 million over the FY 2007 level. The decision units identified in the table above, and the programs they represent, are discussed in greater detail to follow. OFDCP has seven decision units: Drug-Free Communities (DFC); the National Alliance of Model State Drug Laws (NAMSDL); National Drug Court Institute (NDCI), National Youth Anti-Drug Media Campaign; Performance Measures Development (PMD);

United States Anti-Doping Agency (USADA); and World Anti-Doping Agency (WADA).

Drug-Free Communities

Total FY 2008 Request: \$90.0 million

(Includes +\$10.0 million in program changes)

The FY 2007 resources of \$80.0 million will support the development and expansion of community drug-free coalitions throughout the United States. The program provides up to \$125,000 per year in grant funding to local community, drug-free coalitions, which must be matched by local communities. These grants are awarded through peer-reviewed annual competitions. Community coalitions typically strive to increase community involvement and effectiveness in carrying out a wide array of drug prevention strategies, initiatives, and activities. With 747 grants currently in the field, resources will fund approximately 100-125 new and competing renewal grants in FY 2007.

FY 2008 Program Changes (+\$10.0 million)

The Budget includes an increase of \$10.0 million. An additional \$10.0 million will allow the program to field over 70 new Drug-Free Community grants across the country. With only one in three applications currently receiving funding, more applicants can successfully enter DFC and work to strengthen communities and reduce drug use nationwide.

National Alliance of Model State Drug Laws

Total FY 2008 Request: \$0 million

(Includes -\$1.0 million in program changes)

The FY 2007 resources of \$1.0 million will support the National Alliance for Model State Drug Laws to prepare and conduct state model law summits and assist state officials in the promotion and adoption of summit-based laws. In addition, resources will support the development and distribution of updated model laws, as well as analyses of state laws and bills involving drug issues.

FY 2008 Program Changes (-\$1.0 million)

The Budget terminates federal support to this organization.

National Drug Court Institute

Total FY 2008 Request: \$0 million

(Includes -\$1.0 million in program changes)

The FY 2007 resources of \$1.0 million will support NDCI's efforts to improve and expand drug courts through its research, training, and technical assistance programs. NDCI will conduct research and produce reports on successful methods of financing and sustaining drug courts. The program will also provide technical assistance to court systems wishing to adopt these methods. NDCI will use resources to continue to develop and encourage standard drug court data collection practices, which allow for comparisons across drug court systems.

FY 2008 Program Changes (-\$1.0 million)

The Budget terminates federal support for this institute.

Media Campaign

Total FY 2008 Request: \$130.0 million

(Includes +\$30.0 million increase in program changes)

The FY 2007 resources of \$100 million will enable the Media Campaign to support an integrated effort that combines TV, radio, print, and interactive media with public communications outreach to youth and parents. Resources will fund the development and dissemination of anti-drug messages in national advertising. These messages will largely focus on educating young people and their parents on the negative health, social, academic and financial consequences of using illicit drugs, including marijuana. Additionally, the Media Campaign will continue to develop materials in order to fulfill public requests for information received by national clearinghouses and through the Media Campaign's web sites.

FY 2008 Program Changes (+\$30.0 million)

The Budget includes an increase of \$30.0 million. Funding will enable the Media Campaign to address emerging drug issues among youth such as prescription and over-the-counter drug misuse. In addition, this increase will permit the Campaign to include a focus on methamphetamine, as directed by the ONDCP Reauthorization of 2006.

Performance Measures Development

Total FY 2008 Request: \$0.5 million

(Includes –\$1.5 million in program changes)

These funds are administered by CTAC. The FY 2007 resources of \$2.0 million will continue to assist in research and evaluation efforts that develop means for continually assessing the effectiveness of drug reduction programs. These funds will be used to obtain critical drug indicator data, and apply those data to studies that permit program managers to respond to changes in drug market conditions, as well as gauge the effectiveness of their efforts. Since FY 2006, these resources have been used for the measurement of chronic drug use through the Arrestee Drug Abuse Monitoring (ADAM) program, a critical part of gauging drug consumption trends.

FY 2008 Program Changes (–\$1.5 million)

The Budget proposes to reduce funding by \$1.5 million.

United States Anti-Doping Agency

Total FY 2008 Request: \$2.3 million

(Includes –\$6.2 million in program changes)

The FY 2007 resources of \$2.3 million will continue the United States Anti-Doping Agency's effort to educate athletes on the dangers of drug use and eliminate its use in Olympic sports. Specifically, these funds support athlete drug testing programs, research initiatives, educational programs, and efforts to inform athletes of the newly adopted rules governing the use of prohibited substances outlined in the World Anti-Doping Code (the Code). In addition, funds will support legal efforts to enforce compliance with the Code and adjudicate athlete appeals involving doping violations.

FY 2008 Program Changes (–\$6.2 million)

The Budget proposes to reduce funding by \$6.2 million.

World Anti-Doping Agency Dues

Total FY 2008 Request: \$1.7 million

(Includes +\$0.2 million in program changes)

The FY 2007 resources of \$1.5 million will support WADA's mission to combat performance enhancing and illicit drug use in Olympic sports. The organization is jointly funded by national governments and the international sporting movement. The United States continues to play a leadership role in WADA's development by serving on the program's governing

Foundation Board. Funds will support drug testing operations, athlete drug education and prevention efforts, and research.

FY 2008 Program Changes (+0.2 million)

The Budget proposes to increase funding by \$0.2 million.

Performance

Introduction

This section on the FY 2006 performance of the DFC and the Media Campaign programs is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The tables include conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The 2003 PART rating of "Adequate" for DFC indicated strong program management and planning. Although outcome measures had been identified, baselines and targets were needed. The review recommended public reporting of performance and an evaluation of program performance. In response, the program has made several changes in how data are collected from coalitions and how those data should be interpreted. Further, the coalitions themselves are being evaluated under a new performance management system to ensure continued progress towards their objectives. Meanwhile there is growing anecdotal evidence of coalition effectiveness.

The 2003 PART rating of "Results Not Demonstrated" found that the Media Campaign program had made improvements in planning and management including the establishment of reasonable and measurable performance goals. Alternative evaluation methods are being considered since the conclusion of the previous evaluation contract. This includes the continuation of special data analysis from the Partnership Attitude Tracking Survey (PATs), plus an expert panel to assess the utility of all available datasets in determining the Media Campaign's contribution to the continuing downturn in youth drug use. The Media Campaign continues to monitor its progress through news media content analyses, advanced ad-tracking measurement of interactive program activity.

Drug-Free Communities

Drug-Free Communities Program			
PART Review			
Year of Last Review: 2003		Rating Received: Adequate	
Evaluation Area	Score	Review Highlights Below:	
Purpose	100	Program management is strong. Baselines and targets are needed. Performance information should be made public.	
Planning	50		
Management	80		
Results	42		
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Percent of coalitions that report decreased risk factors in community.		46%	48%
» Percent of coalitions that report increased protective factors.		61%	65%

Discussion

The program has taken necessary steps to address each of the PART findings. DFC has completed the development of a monitoring system to track individual grantee performance in order to aid the development of appropriate baselines, realistic future performance targets according to the coalition typology, and the reporting of performance data. This system (Coalition Online Management and Evaluation Tool- COMET) was made available to grantees in February 2006. COMET yields useful real-time data as a management tool. Meanwhile, DFC has refined the outcome measures, begun collecting data, and has established new baselines for most of the performance measures.

The establishment of this new performance management system and related evaluation contract has resulted in a break in some of the evaluation data collected from each coalition. While adequate data are not yet available to declare achievement of every performance target, initial data show evidence of success. For example, 83 percent of coalitions reported a positive change in the age of initiation of alcohol, 82 percent of coalitions reported a positive change in the age of initiation of tobacco in at least one grade and 79 percent reported an improvement in age of initiation for marijuana. There are also marked improvements in these numbers for youth perception of risk and youth perception of parental disapproval for all three substances.

To ensure that these improvements are legitimate, the DFC grant application has been revised to require grantees to regularly report the most credible data available on the results of their work in the community. In August 2006, the national competition for FY 2006 grants resulted in the award of 107 first- and sixth-year competitive grants to coalitions; DFC currently funds a total of 745 grantees, which includes first-year through eighth-year grantees.

National Youth Anti-Drug Media Campaign

Media Campaign				
PART Review				
Year of Last Review: 2003		Rating Received: Results Not Demonstrated		
Evaluation Area	Score	Review Highlights Below:		
Purpose	100	Improvements in planning and management have occurred, however there is little evidence of direct favorable campaign affects on youth; there is evidence of some favorable affects on parents.		
Planning	67			
Management	70			
Results	6			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Percent of youth ages 12-18 who believe there is a great risk of harm from regular marijuana use.			62%	TBR
» Percent of parents who report holding strong beliefs that parental monitoring will make it less likely their child will use any drug.			65%	TBR
» Percent of nonusers ages 12-18 who report having intentions to use marijuana in the next 12 months.*			N/A	N/A

*Data unavailable through PATS - awaiting new evaluation contract, with the first data set expected to be available in FY 2009

Discussion

The Media Campaign launched a new youth brand “Above the Influence (ATI)” in November 2005, which is much more inspirational and resonates with a broader segment of teens than the previous message. The objectives of ATI are to reflect being “under the influence” of drugs as being controlled in a way that diminishes or brings one down; to make the choice of being “Above the Influence” of marijuana and other substance use an inspirational teen philosophy; and to deglamorize marijuana (and other substance use) by redefining it in the context of negative influence.

Coupled with this brand redefinition, a radio media tour was conducted in January 2006 to highlight the issue of sports and substance abuse to take advantage of the interest generated by the Winter Olympics – this resulted in 11.5 million media impressions. Also, in February 2006, the Media Campaign held a press conference in New York, conducted a radio media tour and an entertainment roundtable to highlight the disturbing trends of girls and drugs. Media highlights included segments on the Today Show and Good Morning America. This resulted in 57 million media impressions and is still generating interest.

Bolstering the perception that these media impressions helped guide behavior, the Media Campaign received a 2005 report from NSDUH that stated, “Youths who reported having seen or heard media prevention messages in the past year were significantly less likely to report past month binge alcohol use (10.3 vs. 12.5 percent) or illicit drug use (10.8 vs. 13.7 percent). Prevention messages received in school, as well as outside of school also were associated with differences in rates of substance use among youths.”

The previous evaluation contract was concluded in June of 2004. To fill in the gap while considering evaluation alternatives and awaiting the new monitoring effort, the Media Campaign awarded a multi-year sole-source contract to the PDFA for the continuation of the Partnership Attitude Tracking Survey (PATS) Special Analysis, which links the Media Campaign activities with national drug use trends.

OFFICE OF NATIONAL DRUG CONTROL POLICY

Salaries and Expenses

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Interdiction	3.548	3.548	3.160
International	3.548	3.548	3.160
Investigations	2.026	2.026	1.805
Prevention	5.827	5.827	5.190
Research and Development	1.303	0.635	1.316
State and Local Assistance	5.320	5.320	4.739
Treatment	5.067	5.067	4.513
Total Drug Resources by Function	\$26.639	\$25.971	\$23.883
Drug Resources by Decision Unit			
Operations	25.336	25.336	22.567
Policy Research	1.303	0.635	1.316
Total Drug Resources by Decision Unit	\$26.639	\$25.971	\$23.883
Drug Resources Personnel Summary			
Total FTEs (direct only)	123	123	123
Drug Resources as a Percent of Budget			
Total Agency Budget	\$26.639	\$25.971	\$23.883
Drug Resources Percentage	100.00%	100.00%	100.00%

Program Summary

Mission

The Office of National Drug Control Policy (ONDCP), established by the Anti-Drug Abuse Act of 1988, and reauthorized by the ONDCP Reauthorization Act of 2006, is charged with developing policies, objectives and priorities for the National Drug Control Program. ONDCP's responsibilities include developing a National Drug Control Strategy and a consolidated National Drug Control Budget. ONDCP also provides oversight on major programs such as the National Youth Anti-Drug Media Campaign, Drug-Free Communities, Counterdrug

Technology Assessment Center, and High Intensity Drug Trafficking Areas. In addition, ONDCP conducts policy analysis and research to determine the effectiveness of drug programs and policies in accomplishing the Strategy's goals.

Budget

In FY 2008, ONDCP requests \$23.9 million, which is a decrease of \$2.1 million from the FY 2007 level. ONDCP has two major decision units: Operations and Policy Research.

Operations

**Total FY 2008 Request: \$22.6 million
(Includes –\$2.8 million in program changes)**

The FY 2007 resources of \$25.3 million will enable ONDCP to carry out its responsibilities of advising the President on national and international drug control policies and strategies, and to ensure the effective coordination of anti-drug programs among National Drug Control Program agencies. In addition, ONDCP will provide oversight on major programs, such as the National Youth Anti-Drug Media Campaign, Drug-Free Communities, CTAC, and HIDTA.

FY 2008 Program Changes (–\$2.8 million)

The Budget includes a \$2.8 million reduction in ONDCP Operations. The decrease is mainly a result of an effort to centrally administer common enterprise services for the Executive Office of the President. Specifically, the Office of Administration requested funding to cover ONDCP's costs associated with transportation subsidies, flexible spending account administrative fees, rent based charges from the Federal Protective Service, burn bags, and health unit and space rental payments to the General Services Administration.

Policy Research

**Total FY 2008 Request: \$1.3 million
(Includes +\$0.7 million in program changes)**

The FY 2007 resources of \$0.6 million support policy research to inform the policy-making process. As with "Performance Measurement Development" funding under the Other Federal Drug Control Programs account, pursuant to a recent ONDCP reorganization, these resources are also administered by CTAC. ONDCP conducts research to inform drug policy by identifying strategic trends in the supply of and demand for illegal drugs. Because drug trafficking and use is a covert activity, data must be drawn from a variety of sources to understand trends and the reasons behind the trends. Conducting these studies in a scientific manner provides decision-makers with objective assessments on which to base policy.

FY 2008 Program Changes (+\$0.7 million)

The Budget includes a \$0.7 million increase in ONDCP Policy Research. These resources will be used to support such operational priorities as prescription drug safety, student drug testing, disrupting drug markets, and monitoring major city trends. These studies will collect relevant data, determine the current trends, and assess vulnerabilities in drug use and trafficking patterns.

Performance

Introduction

ONDCP has responsibility for operating four major programs: National Youth Anti-Drug Media Campaign, Drug-Free Communities, CTAC, and HIDTA. Performance information for each program is provided in the respective sections of this document.

SMALL BUSINESS ADMINISTRATION

The logo for the Small Business Administration (SBA) features the letters 'SBA' in a bold, black, serif font. The letters are set against a light blue background that is shaped like a stylized upward-pointing triangle or a rising line graph, symbolizing economic growth and business success.

SMALL BUSINESS ADMINISTRATION

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Prevention	0.987	0.987	0.990
Total Drug Resources by Function	\$0.987	\$0.987	\$0.990
Drug Resources by Decision Unit			
Drug Free Workplace Grants	0.987	0.987	0.990
Total Drug Resources by Decision Unit	\$0.987	\$0.987	\$0.990
Drug Resources Personnel Summary			
Total FTEs (direct only)	0	0	0
Drug Resources as a Percent of Budget			
Total Agency Budget ^{/1}	\$533.400	\$447.894	\$443.571
Drug Resources Percentage	0.19%	0.22%	0.22%

^{/1} Does not include the Hurricane Katrina Disaster supplementals.

Program Summary

Mission

The Small Business Administration (SBA) helps Americans start, build, and grow businesses. Encouraging small businesses to support a drug-free workplace is an important component of ensuring their viability. With the Paul D. Coverdell Drug-Free Workplace Program, SBA awards grants to entities that provide financial and technical assistance to small businesses seeking to establish a drug-free environment.

Budget

In FY 2008, SBA requests a total of \$0.990 million, which is an increase of \$0.003 over the FY 2007 level. SBA has one decision unit: Drug-Free Workplace Grants. This decision unit, and the program it represents, is discussed in detail to the right.

Drug-Free Workplace Grants

**Total FY 2008 Request: \$0.990 million
(Includes no program changes)**

SBA's Drug-Free Workplace Demonstration Program was established by the Drug-Free Workplace Act of 1998. It was renamed the Paul D. Coverdell Drug-Free Workplace Program on December 21, 2000. The Program awards grants to eligible intermediaries and Small Business Development Centers (SBDC) in order to assist small businesses in establishing Drug-Free Workplace Programs.

The FY 2007 resources of \$0.987 million will allow grantees to provide financial assistance to small businesses. Examples of financial assistance may include, but are not limited to, free and/or reduced fees for training sessions, management/supervisor consultations, employee assistance program services, and drug testing. Grantees also provide technical assistance. Examples of technical assistance may include, but are not limited

to, assistance in performing needs assessments; writing/reviewing policies and procedures; and providing consultation to management on program development.

FY 2008 Program Changes (none)

Resources will continue to support grantees that provide assistance to small businesses seeking to establish a Drug-Free Workplace Program.

(\$0.5 million) and FY 2007 (\$0.5 million). This funding pattern continued in FY 2006 where resources (\$1.0 million) were divided between FY 2007 (\$0.5 million) and FY 2008 (\$0.5 million). This practice, however, created a shortfall in FY 2006 funding. As a result, the number of grantees were reduced from 12 to 5. This decrease caused a substantial reduction in the number of businesses educated and workplace programs implemented in FY 2006.

Performance

Introduction

This section on SBA’s program accomplishments is drawn from agency GPRA documents as discussed earlier in the Executive Summary. No PART review has been conducted. The program monitors the number of small businesses establishing Drug-Free Workplace Programs. The addition of outcome measures, currently under consideration, will indicate how effective the program is in reducing workplace drug use.

The program has begun to identify potential outcome measures and evaluate methodologies to collect data. Measures under consideration but not established are: (1) businesses that show an improvement in employee behaviors (absenteeism, tardiness, workplace accidents, and employee turnover), and (2) decreased business costs (insurance premiums, damaged or stolen property, lost productivity, and recruiting and training for new employees).

Discussion

Prior to FY 2005, the Drug-Free Workplace Program financed current year grant awards with funds appropriated in the previous fiscal year. For example, grants awarded in FY 2005 were funded using FY 2004 resources (\$1.0 million). However, in P.L. 108-447 (SBA’s reauthorization of 2004), Congress extended Drug-Free Workplace grant awards from one to two years. In effect, funding from the FY 2005 appropriation (\$1.0 million) was divided between FY 2006

Small Business Administration		
No PART Assessment Made		
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Number of small businesses educated.	11,800	531
» Number of Drug-Free Workplace Programs implemented.	1,029	62

DEPARTMENT OF STATE



DEPARTMENT OF STATE
Bureau of International Narcotics and Law Enforcement Affairs

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Interdiction	23.890	33.600	21.465
International	1,012.094	977.645	762.234
Total Drug Resources by Function	\$1,035.984	\$1,011.245	\$783.699
Drug Resources by Decision Unit			
Andean Counterdrug Initiative	727.155	685.436	442.812 ^{/1}
International Narcotics Control and Law Enforcement <i>Afghanistan (non-add)</i>	292.529 145.650	325.809 206.150	340.887 207.000
Supplemental Account	16.300	–	–
Total Drug Resources by Decision Unit	\$1,035.984	\$1,011.245	\$783.699
Drug Resources Personnel Summary			
Total FTEs (direct only)	223	224	225
Drug Resources as a Percent of Budget			
Total Agency Budget	\$1,307.283	\$1,382.954	\$1,236.412
Drug Resources Percentage	79.25%	73.12%	63.38%

^{/1} In FY 2008, Alternative Development funding of \$192.5 million, which has traditionally been reported as part of ACI, is included in the Economic Support Fund account.

Program Summary

Mission

The narcotics trade in foreign nations imposes a very high cost on ordinary citizens in addition to being the source of drugs trafficked to the United States. Through eradication, interdiction, and alternative development the United States supports the fight against narcoterrorism and helps secure democracy, extend security, and restore economic prosperity in the region. To meet this charge, International Narcotics and Law Enforcement (INL) programs support two important goals: (1) reduce the entry of illegal drugs into the United States; and (2) minimize the impact of international crime on the United States and its citizens.

Budget

In FY 2008, the Department of State requests \$783.7 million, a reduction of \$227.5 million from the FY 2007 level. The FY 2008 request does not include the Alternative Development programs in Colombia, Bolivia, Peru, and Ecuador that were included in the FY 2006 and 2007 INL budgets. Instead, in FY 2008 the Economic Support Fund (ESF) includes \$192.5 million for Alternative Development programs in Colombia, Bolivia, Peru, and Ecuador. This amount, along with the Afghanistan Alternative Livelihood programs, are reported and described under the United States Agency for International Development (USAID).

Andean Counterdrug Initiative (ACI)

Total FY 2008 Request: \$442.8 million for

Counternarcotics Programs

(Includes –\$242.6 million in program changes)

ACI provides support to the Andean Region including the countries of Bolivia, Colombia, Peru, Ecuador, Brazil, Venezuela, and Panama. Resources support projects, including security elements for project implementation, law enforcement, border control, crop reduction, institution building, administration of justice, and human rights programs in the region. As the source of more than 90 percent of cocaine and a significant portion of the heroin entering the U.S., Colombia remains the focus of ACI's efforts. ACI programs in Peru and Bolivia have minimized spillover of trafficking activities from neighboring Colombia. In Ecuador, Brazil, and Panama, INL's programs work to prevent spillover cultivation from producing countries and the transshipment of illicit drugs, develop law enforcement organizations, promote the rule of law, and foster bilateral law enforcement cooperation.

The largest portion of the \$242.6 million decrease is a transfer of \$192.5 million in alternative development funding for the Andean Region countries to ESF, which is managed by USAID. Specific programs in each source country and their program changes are described below.

Bolivia

FY 2008 Request: \$30.0 million

(Includes –\$32.7 million in program changes)

The FY 2007 resources of \$62.7 million support Bolivian efforts to eliminate the remaining excess coca in and around the Chapare and Yungas regions, lay the groundwork for limited forced eradication operations in the National Parks, and persuade the Government of Bolivia (GOB) to encourage coca growth reduction. Funds will also support efforts to increase interdiction of, and halt exportation of cocaine; increase interdiction of essential chemicals and cocaine products; foster alternative economic development; expand the number and efficiency of prosecutors in narcotics related cases; support drug awareness efforts; and improve the transparency and anti-corruption efforts in the Bolivian government. A portion of the funds is also dedicated to boosting the presence and effectiveness of the counternarcotics police in the Chapare, Yungas, and National Parks; making the National Police more self-sufficient nationwide; supporting operational and logistics requirements for eradication and interdiction;

and replacing obsolete law enforcement equipment throughout Bolivia.

FY 2008 Program Changes (–\$32.7 million)

Reductions in Bolivia funding reflect the transfer of Alternative Development funds to ESF and other interdiction programs. In FY 2008, programming will focus primarily on interdiction operations, professionalization of law enforcement partners, and demand reduction and public awareness initiatives. Reductions of \$5.0 million occur in interdiction and eradication program areas where cooperation with the Government of Bolivia is not present.

Colombia and Critical Flight Safety Program

FY 2008 Request: \$367.0 million

(Includes –\$137.2 million in program changes)

The FY 2007 resources of \$504.2 million continue to build on the successes of Plan Colombia and subsequent ACI programs. In order to move toward nationalizing Plan Colombia program elements, INL is developing and strengthening the Government of Colombia's (GOC) institutions so they can ultimately assume ownership and responsibility for these programs. A special emphasis is being placed on assuring capacity to continue to reduce coca production, working in concert with Colombian eradication teams, and supporting the demobilization and reintegration of qualified Colombian illegal armed group members back into society.

The Critical Flight Safety Program (CFSP) is designed to ensure aircrew and aircraft safety, and structural integrity of aircraft operated by the INL Air Wing. Upon completion of this multi-year program, the Department will have improved the INL aviation fleet to a level that will prevent loss of life or valuable aviation resources due to structural fatigue and aging aircraft. The secondary objective of CFSP is to refurbish 30-year old, Vietnam-era military aircraft to a modern commercially supportable standard, therefore making them less costly to operate, easier to maintain, and more reliable. Specifically, in FY 2007 State will continue the refurbishment and upgrade of aging Vietnam era UH-1H helicopters, refurbishment of UH-1N helicopters (first priority to eradication helicopters), extend the service life of OV-10D airframes, and initiate armament upgrades for Colombia SAR aircraft.

FY 2008 Program Changes (–\$137.2 million)

Reductions in Colombia funding reflect the transfer of alternative development funds to ESF and a \$2.0 million reduction in operational and maintenance funding for police and military aviation missions supported by the Colombian Army Aviation Program.

The CFSP budget in FY 2008 includes \$50.0 million, down from \$62.4 million in FY 2007, and is budgeted within the Colombia program.

For FY 2008, INL proposes selective rewiring, critical airframe upgrades, selective component replacement, and retrofitting obsolete components. This will successfully control many age-related costs and sustain the aircraft's capability. This initiative will take up to five years, with the aircraft chosen to be upgraded based on age, condition, and need.

Peru**FY 2008 Request: \$36.8 million****(Includes –\$56.7 million in program changes)**

The FY 2007 resources of \$93.6 million support interdiction and border control efforts to preempt spillover from the enhanced Colombia counternarcotics efforts. In addition, funding will support significant law enforcement operations planned in major coca-growing valleys, the continuation of manual eradication, alternative development and institution building initiatives, and demand reduction programs.

FY 2008 Program Changes (–\$56.7 million)

Reductions in Peru funding reflect the transfer of alternative development funds to ESF and the elimination of \$18.7 million in demand reduction and money laundering programs.

Ecuador**FY 2008 Request: \$7.0 million****(Includes –\$9.4 million in program changes)**

The FY 2007 resources of \$16.4 million allow the government to continue to strengthen the presence of security forces at its land and sea ports, as well as on the northern border where spillover effects from Colombia counternarcotics operations threaten Ecuador's national security. Other projects will include canine and law enforcement skills training, support for the money

laundering unit, maintenance of checkpoints and police headquarters, strengthening administration of justice programs, and increasing the reach of alternative development projects initiated in prior years.

FY 2008 Program Changes (–\$9.4 million)

Reductions in Ecuador funding reflect the transfer of alternative development funds to ESF and decreases of \$1.4 million for interdiction, drug control, and demand reduction programs, as well as programs to combat financial crimes and money laundering.

Brazil, Venezuela, and Panama**FY 2008 Request: \$2.0 million****(Includes –\$6.6 million in program changes)**

The FY 2007 resources of \$8.6 million support narcotics interdiction programs along Brazil's borders, enhance law enforcement efforts at the state level, provide for intellectual property rights enforcement, and support Brazil's highly successful drug demand reduction programs. In Venezuela, funding will combat the growing problem of cross-border narcotics trafficking by improving police and military operations while focusing on port and airport security. In Panama, funding will be used for border controls (air, land, and maritime); law enforcement and customs service modernization and professionalization; strengthening the Government of Panama's institutional capacity to combat corruption, money laundering, terrorist financing, and other financial crimes; demand reduction; and maritime interdiction (maritime service modernization).

FY 2008 Program Changes (–\$6.6 million)

FY 2008 funding for Panama will support interdiction operations only. Other programs will be phased out or funded through non-U.S. sources. Programs in Brazil will be funded at reduced levels. In addition, Venezuela program funding was eliminated for FY 2008 reflecting the Government of Venezuela's resistance to counternarcotics cooperation.

International Narcotics Control and Law Enforcement (INCLE)

Total FY 2008 Request: \$340.9 million

(Includes +\$15.1 million in program changes)

INCLE programs advance international cooperation in order to reduce the foreign production and trafficking of illicit coca, opium poppy, marijuana, and other illegal drugs. INCLE commodity, technical assistance, and capacity building programs improve foreign government institutional capabilities to implement their own comprehensive national drug control plans that will reduce trafficking in illicit drugs and money laundering activities. Training and assistance also support prevention and treatment programs and projects designed to strengthen the international coalition against drug trafficking. An interregional aviation program supports drug-crop eradication, surveillance, and counterdrug enforcement operations.

Many INCLE projects are directed at improving foreign law enforcement and intelligence gathering capabilities and enhancing the effectiveness of criminal justice sectors to allow foreign governments to increase drug shipment interdictions, effectively investigate, prosecute and convict major narcotics criminals, and dismantle major drug trafficking organizations. INL also provides technical assistance to federal law enforcement authorities working overseas in order to enhance their programs. INL is responsible for foreign policy formulation and coordination and for advancing diplomatic counternarcotic initiatives in the international arena. Specific INCLE programs are described below.

Mexico

FY 2008 Request: \$13.2 million

(Includes –\$5.3 million in program changes)

The FY 2007 resources of \$18.5 million will be used for counternarcotics, law enforcement, and demand reduction programs carefully balanced between the short-term goal of attacking and dismantling drug trafficking and other cross-border criminal organizations, and the long-term goal of strengthening Mexico's law enforcement institutions and expanding their capacity to attack and deter crime affecting United States Government interests. Funding will complete programs and investments made in Mexican law enforcement, continue support to broad ongoing programs to improve law enforcement agencies and infrastructure, as well as begin new initiatives to meet emerging challenges such as the production and distribution of methamphetamine

sourced to the United States. These include activities such as institution building, training and professionalization of state and local law enforcement, anti-corruption, money laundering and financial crimes, interdiction and eradication, and demand reduction and drug awareness.

FY 2008 Program Changes (–\$5.3 million)

The decrease in funding will be absorbed in part by a planned reduction in programs that no longer require major funding, such as the recapitalization of the police aviation wing and installation of high-tech inspection systems in Mexican ports of entry. The Government of Mexico will also be urged to invest more resources in bilateral programs and their implementation will be slowed.

Haiti

FY 2008 Request: \$2.0 million

(Includes +\$1.0 million in program changes)

The FY 2007 resources of \$1.0 million will focus on training and equipping the Haitian Coast Guard for maritime interdiction operations, improving the operational capacity of the Haiti Counter-Narcotics Trafficking Office in cooperation with DEA, and assisting the Haitian government's Financial Investigative Unit with money laundering investigations.

FY 2008 Program Changes (+\$1.0 million)

The increased funding level will permit the establishment of a Counter-Narcotics Trafficking Office presence outside of Port au Prince – especially in the Northern plateau area where drug-trafficking is endemic – as well as expanded port security and drug interdiction operations by the Haitian Coast Guard.

Central America, Caribbean, and Southern Cone

FY 2008 Request: \$9.8 million

(Includes +\$5.8 million in program changes)

The FY 2007 resources of \$4.4 million will be used to upgrade drug interdiction and law enforcement capabilities and modernize judicial sector institutions in order to detect and prosecute narcotrafficking, financial crimes, and governmental corruption. INL will provide training and information systems and communications equipment to enhance intelligence gathering and sharing capabilities. Other funds will support demand reduction

efforts to resist the growing drug use problem in these regions and to fight criminal gangs that distribute drugs.

FY 2008 Program Changes (+\$5.8 million)

The funding increase for Guatemala will provide training and operational support to the revamped counternarcotics police. In the rest of Central America and Caribbean, the funding increase will permit the resumption of counterdrug activities in countries such as Belize, Costa Rica, and Trinidad and Tobago where programs have been shutdown, and will permit the expansion of interdiction efforts in key drug transit countries such as El Salvador, Honduras, and Nicaragua. In the Southern Cone, the increase will be used to provide equipment and training for drug interdiction.

Afghanistan

FY 2008 Request: \$207.0 million

(Includes +\$0.9 million in program changes)

The FY 2007 resources of \$207.9 million for counternarcotics programs will support a number of initiatives including an opium poppy elimination program, drug enforcement and interdiction program, public diplomacy efforts, drug demand reduction programs, and drug control capacity building. The Poppy Elimination Program (PEP) emphasizes engaging Government of Afghanistan (GOA) officials in primary producing provinces to proactively campaign against farmers planting poppy, pressure farmers who do plant poppy to voluntarily replant in legitimate crops, and threaten forced eradication. The program is expected to expand from 12 to 18 provinces, providing coverage for 90 percent of the territory where the poppy crop is grown.

The funds cover salaries, security, armored vehicles, communications, safe billeting, and all operational costs of the PEP teams. Counternarcotics funding also includes support for four mobile teams in the Afghan Eradication Force (AEF) that act as the GOA's fall-back intervention force to disrupt poppy cultivation where necessary. The package includes the lease of medium and heavy-lift air support for transport of equipment and personnel to aid ground-based eradication and other counternarcotics efforts. In addition, an aviation support component serves as a force multiplier (logistics, transport, search and rescue, reconnaissance) for both PEP and AEF, and other counternarcotics efforts

as required. Resources also provide helicopters and operations and maintenance to support eradication efforts.

FY 2008 Program Changes (+\$0.9 million)

INL's Afghanistan counternarcotics support in FY 2008 will continue programs started in FY 2007.

Pakistan

FY 2008 Request: \$24.0 million

(Includes +\$7.8 million in program changes)

The \$16.2 million in FY 2007 will support a Border Security Program and Counternarcotics Program in Pakistan. The Border Security Program will seek to minimize the impact of international crime and illegal drugs on the United States and its citizens by expanding law enforcement capacity to secure the western border with Afghanistan and Iran in order to deny drug traffickers, criminals, and terrorist sanctuary, particularly in the border areas. This project consists of an aviation component, infrastructure development, vehicles, communications equipment, surveillance devices, and training to support the over 65,000 civilian security personnel operating on the western border.

The Counternarcotics Program is designed to inhibit poppy cultivation throughout Pakistan, reverse its expansion into non-traditional areas, return Pakistan to its zero-poppy status, help Pakistan defend itself against the migration of labs from Afghanistan, reduce domestic demand, and curb drug trafficking into and through Pakistan. Funds will be used to develop the proposed expansion of roads and small schemes into the new areas of cultivation and to continue to provide training and operational support to a range of law enforcement agencies. Funds will also support opium poppy monitoring and eradication efforts, demand reduction efforts, and funding for lawyers to work on major drug trafficking prosecutions.

FY 2008 Program Changes (+\$7.8 million)

The increase in funds for FY 2008 will provide for enhanced border security initiatives in the Baluchistan region, which includes training, equipment and infrastructure for Pakistan security forces and local civilian authorities.

Africa and East Asia/Pacific Regional

FY 2008 Request: \$4.3 million

(Includes +\$2.2 million in program changes)

The FY 2007 resources of \$2.2 million will be used to provide training, technical assistance, and equipment to strengthen the capacity of law enforcement and judicial institutions to address narcotics trafficking and assist in drug interdiction in Nigeria, Indonesia, Laos, Philippines, and Thailand.

FY 2008 Program Changes (+\$2.2 million)

Funding will be used to sustain programs in Nigeria, Laos, Philippines, and East Timor. Additional funding will be used for new counternarcotics projects in the region.

Interregional Aviation Support

FY 2008 Request: \$60.1 million

(Includes +\$8.3 million in program changes)

The \$51.8 million in FY 2007 funding will provide core level services necessary to operate, sustain, and maintain a fleet of 189 fixed and rotary wing aircraft of ten types. The aircraft support counternarcotics aviation programs in Colombia, Bolivia, Peru, Afghanistan, and border security operations in Pakistan; plus, as required, counterterrorism/counternarcotics programs in other temporary deployment locations. ACI, Afghanistan, and Pakistan funds augment the Air Wing budget to provide expanded levels of support for country-specific projects.

FY 2008 Program Changes (+\$8.3 million)

The additional funds will be used for maintaining core level services necessary to operate and sustain a fleet of over 189 fixed and rotary wing aircraft of ten types. Without this increase, due to contract costs and operational requirements, support services provided would have to be reduced.

Drug Awareness and Demand Reduction

FY 2008 Request: \$3.5 million

(Includes -\$6.5 million in program changes)

The FY 2007 funding of \$10.0 million will allow for the funding of a variety of international demand reduction activities that include programs with faith-based organizations that provide prevention, intervention, and recovery maintenance services.

FY 2008 Program Changes (-\$6.5 million)

The reduction in funding will limit training in

Africa and Asia to address the intravenous drug use problem and accompanying HIV/AIDS transmission among that population, including methamphetamine abuse in Asia.

International Organizations

FY 2008 Request: \$4.1 million

(Includes +\$0.6 million in program changes)

The \$3.5 million in FY 2007 will provide International Organizations funding through the UN Office for Drugs and Crime (UNODC) to build multilateral support that strengthens efforts against international consumption, production, and trafficking of illegal drugs. In addition, funding supports UN programs focused on precursor chemical control, legislative advisory assistance for implementation of the three drug conventions, anti-money laundering assistance, and an Independent Evaluation Unit.

The Organization of American States/Inter-American Drug Abuse Control Commission (OAS/CICAD) will provide technical support and training to address shortcomings in country anti-drug programs identified by the Multilateral Evaluation Mechanism. This funding will include support for the expansion of CICAD's demand-side and supply-side programs, strengthening national drug control commissions, assistance in legal development, demand reduction programs focused on youth, and the maintenance of a hemispheric data collection system.

FY 2008 Program Changes (+\$0.6 million)

Increased funding for UNODC will allow elevated support for its regional precursor chemical control programs, particularly in South East Asia, which provide specialized training to law enforcement and chemical regulatory agencies. Additionally, increased funding for OAS/CICAD will moderately enhance a nascent chemical and synthetics drug awareness campaign and training workshops throughout Latin America and the Caribbean region.

Program Development and Support

FY 2008 Request: \$12.8 million

(Includes +\$0.4 million in changes)

The \$12.4 million in FY 2007 will be used for domestic salaries, administrative costs, and other Washington-based support services costs.

FY 2008 Changes (+\$0.4 million)

The increase will cover adjustments for inflation and other administrative support cost increases.

Performance

Introduction

This section on the FY 2006 performance of the State INL programs is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The tables include conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

INL's four programs – ACI; INCLE Programs in the Western Hemisphere; INCLE Programs in Africa and Asia; and INCLE Programs in South Asia – have each been assessed through PART. Three programs were rated “Adequate” and INCLE-South Asia was rated “Results Not Demonstrated.”

The 2004 PART review for ACI indicated that INL was on track to meet or exceed its goals for reducing cocaine production and interdicting drug shipments from the Andean Region. Although USAID developed a long-term goal for its alternative livelihood programs in 2005, OMB noted later the need to set baselines and targets to allow greater use of performance information in decision making. The 2004 PART review for INCLE Western Hemisphere programs found mixed results in pursuing long-term and annual goals while the 2005 PART review for INCLE Africa and Asia programs highlighted the need to develop a long-term measure of criminal justice capacity-building efforts. The 2006 PART review for INCLE South Asia programs emphasized the need for improved linkage between budget and performance information in the budget request to allow managers to make funding decisions based on program performance.

To address financial management weaknesses identified by the assessment of all four programs, INL is implementing a new financial management system to track and report information needed to inform strategic planning and resource allocation decisions.

After dropping sharply for several years, coca cultivation increased by 25 percent from 2005 to 2006. This is partly due to a change in the CNC cultivation data collection methodology in 2005, which resulted in an increase in the area under observation. Although Colombia continues as the source of approximately 90 percent of the cocaine and half the heroin entering the United States, the U.S. backed aerial eradication program continues to set annual records in rooting out the source of coca production.

In South East Asia, opium poppy cultivation is expected to decline sharply as it has in recent years. The region, once the world's primary source for opium, no longer produces enough opium poppy to meet regional demands. Between 2004 and 2006, cultivation levels continued to decline in Laos and Burma while Thailand was officially removed from the President's list of Major Drug Producing and Drug Transit Nations.

In Afghanistan, the coordinated international working group is working with the Ministry of Interior and the Ministry of Counternarcotics to implement the five-pillar strategy of justice reform, interdiction, eradication, alternative livelihood, and public information to combat the opium trade.

Andean Counterdrug Initiative			
Year of Last Review: 2004		Rating Received: Adequate	
Evaluation Area	Score	Review Highlights	
Purpose	100	Develop annual outcome measures for the alternative development component of the program.	
Planning	63		
Management	43		
Results	34		
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Number of coca cultivated hectares in Bolivia, Colombia, and Peru for calendar year 2006.		150,000	TBR

TBR = To Be Reported (March, 2007)

INCLE Programs in Africa and Asia			
Year of Last Review: 2005		Rating Received: Adequate	
Evaluation Area	Score	Review Highlights	
Purpose	100	Develop a long-term measure for the criminal justice component and an annual measure or measures to track the progress towards that long-term goal.	
Planning	63		
Management	43		
Results	34		
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Number of illicit opium poppy cultivated hectares in Laos for calendar year 2006.		4,000	TBR

TBR = To Be Reported (March, 2007)

INCLE Programs in the Western Hemisphere			
Year of Last Review: 2004		Rating Received: Adequate	
Evaluation Area	Score	Review Highlights	
Purpose	100	Conduct evaluation of key assistance activities to investigate mixed results from long-term and annual measures.	
Planning	75		
Management	43		
Results	33		
Selected Measures of Performance		FY 2006 Target	FY 2006 Achieved
» Host nation progress in implementing effective legal, institutional, and programmatic reforms for the calendar year of 2005.*		30% in progress 55% complete	27% in progress 54% complete

* Data collected biennially

INCLE Programs in South Asia				
Year of Last Review: 2006			Rating Received: Results Not Demonstrated	
Evaluation Area	Score	Review Highlights		
Purpose	80	Although the program has sufficient measures to gauge success, the impact of funding levels on performance is not clear. The program is addressing these issues, starting with the new financial system to ensure greater oversight and linkage to performance.		
Planning	88			
Management	57			
Results	25			
Selected Measures of Performance			FY 2006 Target	FY 2006 Achieved
» Number of opium poppy cultivated hectares in Afghanistan for calendar year 2006.			107,400	TBR

TBR = To Be Reported (March, 2007)

Discussion

Targeting coca, opium poppy, and marijuana during cultivation is the single most effective means of reducing the quantity of such drugs entering the international market and the United States. The U.S. backed aerial eradication program in the Andean Region has been particularly effective since 2000, and although the level of opium cultivation continued to decline, coca cultivation levels, after stabilizing, increased in FY 2005. While favorable conditions for aerial eradication yielded a record-breaking year for eradication efforts, this was offset by rapid replanting in Colombia. The ACI program has begun paying high dividends in the fight against illegal cocaine and heroin from the Andean Region of South America, but the fight against narcoterrorism remains challenging.

The continuing reduction in opium poppy cultivation in South East Asia, mostly in Burma and Laos, demonstrate the success of the strategy of combating the source of opium poppy in the region once known as the “golden triangle.” Thailand’s removal from the list of Major Drug Producing and Drug Transit Nations indicates that a similar strategy can be replicated to remove Laos from the Major’s list as well.

The Department of State, as outlined in its FY 2008 Performance Plan, has appropriately focused its current efforts on the Administration’s directive to target the supply of international narcotics aggressively by disrupting the activities of international criminal organizations and strengthening international law enforcement and judicial systems. Further, the Department has initiated focused efforts to address the PART findings by improving financial tracking and linking annual funding requests to relevant program goals.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
International	120.900	84.000	313.100
Total Drug Resources by Function	\$120.900	\$84.000	\$313.100
Drug Resources by Decision Unit			
Economic Support Fund	110.500	75.000	313.100 ^{/1}
<i>Afghanistan (non-add)</i>	<i>110.500</i>	<i>75.000</i>	<i>120.600</i>
<i>Andean Ridge (non-add)</i>	–	–	<i>192.500</i>
Development Assistance	10.400	9.000	–
Total Drug Resources by Decision Unit	\$120.900	\$84.000	\$313.100
Drug Resources Personnel Summary			
Total FTEs (direct only)	27	27	27
Drug Resources as a Percent of Budget			
Total Agency Budget	\$7,702.695	\$7,481.648	\$7,680.901
Drug Resources Percentage	1.57%	1.12%	4.08%

^{/1} In FY 2008, Alternative Development funding of \$192.5 million, which has traditionally been reported as part of ACI (see State INL section), is included in the Economic Support Fund account.

Program Summary

Mission

The United States Agency for International Development (USAID) is the U.S. government organization responsible for most economic and development foreign aid. An independent federal agency, it receives overall foreign policy guidance from the U.S. Secretary of the Department of State (State). USAID advances U.S. foreign policy objectives by supporting economic growth, agriculture, trade, health, democracy, conflict prevention, and humanitarian assistance. USAID's Alternative Development programs support U.S. counternarcotics objectives by helping countries develop economic alternatives to narcotics production. Specifically, to stop the illegal drug trade, USAID offers incentives to farmers to discontinue planting poppy and other illicit crops.

USAID also provides training; demonstration centers and farm related business training to help farmers in drug-producing countries increase their income from legitimate crops.

Budget

In FY 2008, the Department of State requests \$313.1 million in the Economic Support Fund (ESF) account for Alternative Development programs in the Andean Region and in Afghanistan. The request includes \$192.5 million for the Andean Region, including the countries of Colombia, Bolivia, Peru, and Ecuador to advance

the development of legitimate crops. Funding for this activity was formerly requested under the Andean Counterdrug Initiative account. In addition, the FY 2008 request includes \$120.6 million for Alternative Development programs in Afghanistan to accelerate economic growth in the principal poppy-producing provinces.

Economic Support Funds - Andean Region
FY 2008 Request: \$192.5 million
(Includes +\$192.5 million in program changes)

As the source of more than 90 percent of cocaine and about half of the heroin entering the U.S., Colombia and the Andean Region remain the focus of State's efforts to disrupt the market for illegal drugs. USAID administers the Economic Support Fund providing for alternative development projects and aid in the Andean Region countries of Bolivia, Colombia, Peru, Ecuador, Brazil, Venezuela, and Panama. Resources support projects to advance the development of legitimate crops in place of those used to produce illicit drugs.

FY 2008 Program Changes (+\$192.5 million)

This account includes amounts previously requested under the Andean Counterdrug Initiative. State has requested these amounts as Economic Support Funds in FY 2008 so that the monies could be better aligned with other economic support targeted to the Andean Region.

Economic Support Funds - Afghanistan
FY 2008 Request: \$120.6 million
(Includes +\$45.6 million in program changes)

Agriculture is a way of life for seventy percent of Afghanistan's people. However, instability, coupled with the region's four-year drought has devastated the country's farms. In fact, eighty percent of the rural population lives in poverty. With its economic support, USAID is renovating irrigation systems, providing farmers with fertilizer and seeds, and building roads to market centers. Over the past few years, agricultural production has nearly doubled, increasing farmers' incomes and encouraging them to produce legitimate crops. However, opium cultivation accounts for nearly 60 percent of the country's gross national product.

To stop the illegal drug farming and trade, USAID provides incentives to farmers to discontinue planting poppy. In particular, USAID has managed an alternative livelihoods program in the four largest poppy producing

provinces - Badakhshan, Nangarhar, Kandahar, and Helmand. This funding supports cash-for-work projects, expands availability of agricultural credit, and provides training and marketing assistance to help farmers increase their income from legitimate crops. USAID also provides training, demonstration centers, and farm related business training to farmers to help them increase their income from legitimate crops.

FY 2008 Program Changes (+\$45.6 million)

Additional resources will be dedicated to expand programming to a greater number of poppy producing provinces. Funding will continue to support cash-for-work projects, expand availability of agricultural credit, and provide training and marketing assistance to help farmers increase their income from legitimate crops.

Development Assistance - Afghanistan
FY 2008 Request: \$0

(Includes -\$9.0 million in program changes)

In the agriculture sector USAID/Afghanistan supports activities to enhance food security, increase rural incomes, increase agricultural productivity, and expand alternative livelihoods.

FY 2008 Program Changes (-\$9.0 million)

Development Assistance in FY 2008 will be funded out of prior-year unexpended balances.

Performance

Introduction

This section on the FY 2006 performance of the USAID program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The ACI and INCLE PART assessments included a review of USAID contributions to these programs – no separate PART review was undertaken for the drug portions of USAID.

USAID		
No PART Assessment Made		
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» # Hectares of legitimate agricultural/forestry in USAID-funded areas.	344,160	382,286
» # Stakeholders and survivors assisted.	280,638	222,232

Discussion

USAID programs educate growers, provide alternative seeds and agricultural inputs, and promote the production of licit crops in areas where poppy has been grown. The first indicator measures the impact of USAID programs in Afghanistan, Bolivia, Colombia, Ecuador, and Peru on expanding the production of licit crops and forestry products, thereby expanding legitimate economic opportunities.

By training stakeholders on the legal and human rights aspects of trafficking, and by providing support services to the survivors of trafficking, USAID reduces the number of people trafficked and the consequences of trafficking. Stakeholders include government officials, non-governmental organizations, journalists, private sector participants, community leaders and members, and religious organization leaders. The FY 2006 target was also to provide counseling and other support services for 50,265 survivors of trafficking – actual results are not yet available.

Preliminary result data are obtained from USAID operating units. The Agency's performance data are verified using Data Quality Assessments (DQA), and must meet five data quality standards of validity, integrity, precision, reliability and timeliness. The methodology used for conducting the DQAs must be well documented by each operating unit.

DEPARTMENT OF TRANSPORTATION



DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Research and Development	1.576	2.700	2.700
Total Drug Resources by Function	\$1.576	\$2.700	\$2.700
Drug Resources by Decision Unit			
Drug Impaired Driving	1.576	2.700	2.700
Total Drug Resources by Decision Unit	\$1.576	\$2.700 ^{/1}	\$2.700 ^{/1}
Drug Resources Personnel Summary			
Total FTEs (direct only)	2	2	2
Drug Resources as a Percent of Budget			
Total Agency Budget	\$806.486	\$806.486	\$833.000
Drug Resources Percentage	0.20%	0.33%	0.32%

^{/1} Includes \$1.2 million of drug-related resources associated with SAFETEA-LU. These funds are in addition to the \$1.5 million that has traditionally supported the Drug Impaired Driving program.

Program Summary

Mission

The National Highway Traffic Safety Administration's (NHTSA) mission is to save lives, prevent injuries, and reduce economic costs due to road traffic crashes, through education, research, safety standards and enforcement activity. The Drug Impaired Driving program contributes to this mission by supporting a range of initiatives intended to reduce impaired driving.

Budget

In FY 2008, NHTSA requests \$2.7 million for its drug control activities. Included in this request is \$1.5 million for the Drug Impaired Driving program, as well as \$1.2 million for drug impaired driving research, as included in Section 2013 of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act (SAFETEA-LU): A Legacy for Users. These funding levels are consistent with FY 2007.

Drug Impaired Driving Total FY 2008 Request: \$2.7 million (Includes no program changes)

The Drug Impaired Driving program, part of the Agency's Impaired Driving program, sponsors research on the nature and incidence of drug impaired driving. The program also maintains and refines the Drug Evaluation and Classification infrastructure to enable accurate detection of drug impairment by trained law enforcement officers. Further, the program provides leadership, guidance and resources to assist states and communities to implement effective programs to reduce drug impaired driving. The program also provides technical assistance and training programs on drug impaired driving for prosecutors, judges and law enforcement officials.

Training

FY 2008 Request: \$0.8 million

(Includes no program changes)

The \$0.8 million in FY 2007 will serve to improve law enforcement training in the area of drug impaired driving. NHTSA will obtain and review all drug impaired driving law enforcement training curriculums (Standardized Field Sobriety Testing (SFST), Advanced Roadside Impaired Driving Enforcement (ARIDE), and Drug Evaluation and Classification (DEC) programs) to ensure all audiovisual aids have been identified and are both accurate and contemporary. These audiovisual aids will be updated and reproduced in a digital format so that they may be used in a digital media player, as well as in a format that can be inserted in a PowerPoint presentation for training purposes.

Additionally, NHTSA will develop training videos of live subjects under the influence of seven different types of drugs to demonstrate the many indicators of drugs associated with DEC.

FY 2008 Program Changes (none)

NHTSA anticipates level funding for this component of the Drug Impaired Driving program.

Data Collection

FY 2008 Request: \$0.5 million

(Includes no program changes)

The \$0.5 million in FY 2007 will support data collection efforts to determine the extent of the drug impaired driving problem and to better develop programs and potential countermeasures to address this problem. These objectives will be accomplished through uniform and timely data collection by Drug Recognition Expert (DRE) officers nationwide. This system will provide the data needed to identify trends in drug impaired driving incidents, evaluate the DEC program, and provide information to support federal and state drug impaired driving programs. The system will be internet-based and accessible to law enforcement, toxicologists, prosecutors, NHTSA, and Highway Safety Offices to enter, review, collate, and access data relating to drug impaired driving arrests.

FY 2008 Program Changes (none)

NHTSA anticipates level funding for this component of the Drug Impaired Driving program.

Public Information and Outreach

FY 2008 Request: \$0.2 million

(Includes no program changes)

The \$0.2 million in FY 2007 will support public information and outreach efforts. NHTSA will continue to partner with the International Association of Chiefs of Police (IACP) to support the Drunk Driving, Over the Limit, Under Arrest message. NHTSA will accomplish this by offering effective strategies to increase the number of arrests, decrease DWI incidents, increase deterrence, and track and coordinate the impaired driving training programs (SFST, ARIDE, and DEC).

In further support of public information and outreach efforts, NHTSA will work with the Community Anti-Drug Coalitions of America to incorporate traffic safety messages into the existing network of community coalitions, with particular focus on alcohol and substance abuse prevention, treatment, and recovery. With this partnership, the agency seeks to provide technical support to coordinate drug impaired driving messaging through the State and Regional Highway Safety Offices, gain wider distribution of the agency's drug fact sheets for specific audiences (i.e., parents, youth, older drivers, coalitions), and increase support for the national impaired driving crackdowns.

FY 2008 Program Changes (none)

NHTSA anticipates level funding for this component of the Drug Impaired Driving program.

SAFETEA-LU

FY 2008 Request: \$1.2 million

(Includes no program changes)

Section 2013 of SAFETEA-LU authorizes groundbreaking research on the incidence of drug use among drivers—an area where data is currently extremely limited. With \$1.2 million in funding, NHTSA will undertake a landmark Roadside Survey to gauge the prevalence of drug impairment in the driving public. As part of this study, NHTSA will also identify the methodologies and technologies for detecting and measuring drug impairment and driving. The data collected from this study will be included in a report to Congress on drug impaired driving.

FY 2008 Program Changes (none)

NHTSA anticipates level funding for this component of the Drug Impaired Driving program.

Performance

This section on the FY 2006 performance is based on agency GPRA documents and NHTSA's budget request. No PART review has been undertaken of the Drug Impaired Driving program.

The program contributes to the Department's long-term goal of reducing the highway fatality rate to no more than 1.0 per 100 million vehicle miles traveled by the end of 2008. Although no outcome or output measures are currently identified, NHTSA continues to improve the collection of evaluation and tangible evidentiary arrest data for this program. The program continues its efforts to streamline the collection of data relating to drug impaired driving.

DEPARTMENT OF THE TREASURY



DEPARTMENT OF THE TREASURY
Internal Revenue Service

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Investigations	55.028	55.000	57.252
Total Drug Resources by Function	\$55.028	\$55.000	\$57.252
Drug Resources by Decision Unit			
Criminal Investigations	55.028	55.000	57.252
Total Drug Resources by Decision Unit	\$55.028	\$55.000	\$57.252
Drug Resources Personnel Summary			
Total FTEs (direct only)	326	329	329
Drug Resources as a Percent of Budget			
Agency Budget	\$10,573.060	\$10,438.364	\$11,095.499
Drug Resources Percentage	0.52%	0.53%	0.52%

Program Summary

Mission

The mission of the Criminal Investigation Division (CI) in federal law enforcement's anti-drug efforts is to reduce or eliminate the financial gains (profits) of major narcotics trafficking and money laundering organizations through the use of unique financial investigative expertise and statutory jurisdiction. These efforts support the goals of the National Drug Control Strategy and the National Money Laundering Strategy.

Budget

In FY 2008, the Internal Revenue Service requests \$57.3 million, which is an increase of \$2.3 million from the FY 2007 level of \$55.0 million. Resources finance IRS involvement in the Organized Crime Drug Enforcement Task Force (OCDETF).

Criminal Investigations

**Total FY 2008 Request: \$57.3 million
(Includes +\$2.3 million in changes)**

IRS uses their unique financial skills in the investigation of major drug trafficking and money laundering organizations and is a key member of OCDETF. In the conduct of OCDETF investigations, IRS uses their expertise along with authority under the criminal provisions of the Internal Revenue Code (Title 26), the Bank Secrecy Act (Title 31), and the Money Laundering Control Act to investigate the financial operations of these organizations.

With the globalization of the U.S. economy and the increasing use of electronic funds transfers, investigations have become more international in scope. As such, IRS has placed Special Agents in strategic foreign posts to facilitate the development and use of information in support of drug-related investigations.

The FY 2007 resources of \$55.0 million will continue to support the agency as a member of the OCDETF program.

FY 2008 Changes (+\$2.3 million)

The Budget provides for an inflationary adjustment of \$2.3 million.

Discussion

The program tracks annual achievements. The total number of FY 2006 completed investigations for OCDETF cases are 728. CI sent 573 OCDETF-related prosecution recommendations to the Department of Justice resulting in 501 indictments and 472 convictions.

Performance

Introduction

This action on FY 2006 performance of the drug control portion of IRS–Criminal Investigations division, specifically those investigations related to the OCDETF program, is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary.

The Criminal Investigations program received a “Moderately Effective” rating in the 2005 PART review. The drug-related CI program was included in this PART review and not rated separately.

IRS Criminal Investigations		
PART Review		
Year of Last Review: 2005	Reviewed as part of CI Program	
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Number of investigations completed for OCDETF cases.	N/A	728

DEPARTMENT OF VETERANS AFFAIRS



DEPARTMENT OF VETERANS AFFAIRS
Veterans Health Administration

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Estimate	FY 2008 Request
Drug Resources by Function			
Research & Development	11.375	11.237	11.303
Treatment	365.323	365.323	380.666
Total Drug Resources by Function	\$376.698	\$376.560	\$391.969
Drug Resources by Decision Unit			
Medical Care			
Domiciliary	44.073	44.073	45.924
Inpatient	155.628	155.628	162.164
Outpatient	165.622	165.622	172.578
Research & Development	11.375	11.237	11.303
Total Drug Resources by Decision Unit	\$376.698	\$376.560	\$391.969
Drug Resources Personnel Summary			
Total FTEs (direct only)	3,500	3,500	3,500
Drug Resources as a Percent of Budget			
Total Agency Budget (in billions)	\$73.737	\$76.918	\$86.374
Drug Resources Percentage	0.51%	0.49%	0.45%

Program Summary

Mission

The Veterans Health Administration's (VHA) mission statement is "Honor America's veterans by providing exceptional care that improves their health and well-being." Mental health is an important part of overall health, and care for veterans with mental illnesses and substance use disorders are an important part of overall health care. The goal of VHA's Office of Mental Health Services is to provide effective, safe, efficient, and compassionate care for those with substance use disorders and mental illness, for those who are vulnerable, and for those who are recovering.

Methodology

In accordance with the guidance provided by ONDCP, VA's methodology only incorporates Specialized Treatment costs.

Specialized Treatment Costs

VA's drug budget includes all costs generated by the treatment of patients with drug use disorders treated in specialized substance abuse treatment programs. This budget accounts for drug-related costs for VHA Medical Care and Research. It does not encompass all drug-related costs for the agency. VA incurs costs related to accounting and security of narcotics and other controlled substances and costs of law enforcement related to illegal drug activity; however, these costs are assumed to be

relatively small and would not have a material affect on the aggregate VA costs reported.

Decision Support System

The 2006 actual funding levels are based on the Decision Support System (DSS), which replaced the Cost Distribution Report (CDR). The primary difference between DSS and CDR is a mapping of cost centers by percentage to bed sections or out patient visit groups. DSS maps cost to departments, which are then assigned to one of 56,000 intermediate products using Relative Value Units (RVU). RVUs are defined as the determining factor for the level of resources it takes to produce an intermediate product. Each cost category, for example fixed direct labor or variable labor, has an RVU for each intermediate product. All intermediate products are assigned to an actual patient encounter, either inpatient, outpatient, or residential using the patient care data bases. In DSS, the costs are not averaged; rather they are reported by the total of the encounters and can be drilled down to a specific patient. Also, DSS includes all overhead costs assigned to a facility to include headquarters, national programs, and network costs. DSS does not include the costs of capital expenditures; however, it does account for depreciation costs.

Budget

For FY 2008, VHA requests \$391.97 million, which is an increase of \$15.4 million from the FY 2007 level. The majority of VHA's funding goes to support inpatient and outpatient drug treatment services. The Department of Veterans Affairs (VA), through its Veterans Health Administration, operates a national network of 250 substance abuse treatment programs located in the Department's medical centers, domiciliaries and outpatient clinics. These programs include 15 medical inpatient programs, 69 residential rehabilitation programs, 49 "intensive" outpatient programs, and 117 standard outpatient programs.

Medical Care

**Total FY 2008 Request: \$380.7 million
(Includes +\$15.3 million in changes)**

The Veterans Health Administration, in keeping with modern medical practice, continues to improve service delivery and provide clinically appropriate care by expanding primary care and shifting treatment services to lower cost settings when clinically suitable. Within

services for addicted veterans, this has involved a substantial shift over the past 10 years from inpatient to outpatient models of care.

The Medical Care program is comprised of three components: Domiciliary, Inpatient, and Outpatient. These components provide the structure necessary to operate a comprehensive and integrated health care system that supports enrolled veterans; a national academic education and training program to enhance veterans' quality of care; and, administrative support for facilities.

Domiciliary

**FY 2008 Request: \$45.9 million
(Includes +\$1.9 million in changes)**

The Domiciliary Residential and Treatment Program provides coordinated, integrated, rehabilitative, and restorative clinical care in a bed-based program with the goal of helping eligible veterans achieve and maintain the highest level of functioning and independence possible. Domiciliary care, as an integral component of VHA's continuum of health care services, is committed to providing the highest quality clinical care in a coordinated, integrated fashion within that continuum. Inpatient treatment for drug addiction has become rare in VA just as it has in other parts of the healthcare system; only 2,000 veterans with a substance abuse problem received such treatment in 2006. The rest of VA's 24-hour care settings are classified as residential rehabilitation. They are based in on-site VA domiciliaries and in on- and off-site residential rehabilitation centers. They are distinguished from inpatient programs as having less medical staff and services and longer lengths of stay (about 50 days).

FY 2008 Changes (+\$1.9 million)

Funding will maintain service levels.

Inpatient

**FY 2008 Request: \$162.2 million
(Includes +\$6.5 million in changes)**

All inpatient programs provide acute, in-hospital care and a subset of programs also provide detoxification and stabilization services. These programs typically treat patients for 14-28 days and then provide outpatient aftercare. Inpatient programs are usually reserved for severely impaired patients (e.g., those with co-occurring substance abuse and serious mental illness).

Inpatient includes costs associated with the following: care, treatment and support of inpatients in a locally designated sub-acute substance abuse psychiatry bed; diagnosis and treatment of patients admitted to a drug, alcohol, or combined alcohol and drug treatment unit; a Psychiatric Residential Rehabilitation Treatment Program focusing on the treatment and rehabilitation of substance abuse patients; and, staff and contract costs associated with the Alcohol and Drug Contract Residential Treatment Program.

FY 2008 Changes (+\$6.5 million)

Funding will maintain services levels.

Outpatient

FY 2008 Request: \$172.6 million

(Includes +\$6.96 million in changes)

Most drug-dependent veterans are treated in outpatient programs. Intensive outpatient programs provide more than three hours of service per day to each patient, and patients attend them three or more days per week. Standard outpatient programs typically treat patients for an hour or two per treatment day, and patients attend one or two days a week. Outpatient treatment sessions include costs associated with outpatient substance abuse programs and diagnostic and/or therapeutic care related to substance abuse disorder provided by a Post Traumatic-Stress Disorder Team.

FY 2008 Changes (+\$6.96 million)

Funding will maintain service levels.

Research and Development

FY 2008 Request: \$11.3 million

(Includes +\$0.07 in changes)

VHA research helps to acquire new knowledge to improve the prevention, diagnosis and treatment of disease, and generate new knowledge to improve the effectiveness, efficiency, accessibility, and quality of veterans' health care.

FY 2008 Changes (+\$0.07 million)

The Budget proposes a minor adjustment.

Performance

Introduction

This section on the FY 2006 performance of the VHA program is based on agency GPRA documents and the PART review, discussed earlier in the Executive Summary. The table includes conclusions from the PART assessment, as well as performance measures, targets and achievements for the latest year for which data are available.

The VA medical care program was rated through the 2003 PART assessment. VHA has in place a national system of performance monitoring that uses social, professional, and financial incentives to encourage facilities to provide the highest quality of health care. This system has begun to incorporate performance measures related to substance abuse disorder treatment. A measure related to treatment for substance use disorders is expected to be added in 2007 or 2008.

In addition, a performance improvement effort is underway through the Centers of Excellence in Substance Abuse Treatment and Education and the Quality Enhancement Research Initiative (QUERI) to assist programs experiencing difficulty in achieving their performance goals. This is based on recently completed VA research studies that identify a range of evidence-based practices that can be used to improve performance.

Veterans Health Administration		
PART Review		
Year of Last Review: 2003	Reviewed as part of VA Medical Care Program	
Selected Measures of Performance	FY 2006 Target	FY 2006 Achieved
» Percent of clients receiving appropriate continuity of care.	39%	37%

Discussion

In FY 2006, VHA provided services to 93,010 patients with a drug diagnosis, of whom 45 percent used cocaine, 20 percent used opioids, and 70 percent had coexisting psychiatric diagnoses. These categories are not mutually exclusive.

VHA is steadily expanding the availability of methadone maintenance clinics and buprenorphine agonist treatment for opioid-dependent veterans. A specific initiative to initiate buprenorphine treatment has been funded for FY 2007 that will distribute funding to stations with high prevalence of opiate dependence among patients.

The implementation of self-report measures of drug and drug/alcohol abstinence as an outcome measure for evaluating the performance of VHA's treatment programs is strongly being considered. To develop this measure, VHA will evaluate the distribution of changes in abstinence rates across individuals and programs, the stability of potential targets, and the relationship of potential targets with other measures of quality. This will be accomplished through ongoing data acquisition and analysis from the pilot program through early FY 2008. Subsequent steps will include further studies comparing outcomes assessed using the methods of the pilot study with a modified approach in which both baseline and follow-up data are obtained by the clinical team. The goal will be to develop a pilot outcome-based quality indicator to be evaluated by December 2007.

IV. Appendixes

EMERGENCY SUPPLEMENTAL & ADDITIONAL SPENDING WITH EMERGENCY DESIGNATIONS

Resource Summary

	<i>Budget Authority (in Millions)</i>		
	FY 2006 Final	FY 2007 Request	FY 2008 Request
Drug Resources by Function			
International	–	387.583	266.086
Total Drug Resources by Function	–	\$387.583	\$266.086
Drug Resources by Decision Unit			
Justice: Drug Enforcement Administration	–	8.468	8.468
USAID: Economic Support Fund	–	120.000	–
Defense: Counternarcotics Transfer Account	–	259.115	257.618
Total Drug Resources by Decision Unit	–	\$387.583	\$266.086

Background

In FYs 2007 and 2008 the Administration is requesting additional supplemental funding and emergency spending for planned expenses associated with operations in Afghanistan. The additional emergency spending associated with this proposal is being transmitted to Congress with the President's FY 2008 Budget, but is displayed separately from those resources. Therefore, FY 2007 and FY 2008 totals, appearing elsewhere in this volume, do not include the supplemental and emergency resources highlighted in this appendix. The funds requested for counterdrug support will provide additional resources to Afghanistan to interdict drug shipments leaving the country and to encourage Afghanistan's farmers to grow legitimate crops. The details of this proposal are shown below.

FY 2007 Emergency Supplemental **FY 2007 Request: \$387.6 million**

Drug Enforcement Administration **FY 2007 Request: \$8.5 million**

The supplemental funding request of \$8.5 million for DEA provides resources for Operation Breakthrough to support intelligence/analytical support against counterterrorism in Afghanistan, as well as funding to

support additional investigative capabilities targeting narcoterrorism and the financial infrastructure of drug trafficking organizations in Afghanistan. Bridge funding is also included for the Office of National Security Intelligence in the absence of enacted base funding for this program.

United States Agency for International Development (USAID): Economic Support Funds - Afghanistan **FY 2007 Request: \$120.0 million**

With opium cultivation accounting for nearly 60 percent of the country's gross national product, Afghanistan has an urgent need to stand up alternative livelihood programs in all major poppy producing provinces. To stop illegal drug farming and trade, USAID provides incentives to farmers to discontinue planting poppy. To meet the nonrecurring cost of standing up these programs in additional provinces, USAID is requesting supplemental funds in FY 2007. Funding supports cash-for-work projects, expands availability of agricultural credit, and provides training and marketing assistance to help farmers increase their income from legitimate crops. increase their income from legitimate crops.

Defense Counternarcotics Support

FY 2007 Request: \$259.1 Million

Defense requests supplemental funding to support new and nonrecurring counternarcotics interdiction efforts in Afghanistan. The requested amounts will support air mobility, training facilities, and equipment for Afghanistan's counternarcotics police and border police, along with updated intelligence and tracking equipment. In addition, to prevent seepage in the drug trade across neighboring countries, Defense requests funding to strengthen and seal certain border systems in Uzbekistan, Tajikistan, Turkmenistan, Yemen, and Pakistan. Specifically, investments will be made in the following areas:

Afghanistan

Air Mobility	12.0 million
Police training	23.6 million
Police equipment	58.4 million
Police facilities	31.5 million
Border police training and equipment	15.5 million
Intelligence programs	25.1 million
Program support	5.0 million
Total Afghanistan	\$171.1 million

Other nations – facilities, equipment, and training

Uzbekistan	2.0 million
Tajikistan	9.0 million
Turkmenistan	10.0 million
Yemen	1.0 million
Pakistan	44.2 million
Kyrgyzstan	7.2 million
Kazakhstan	2.1 million
Turkey	10.0 million
Horn of Africa	2.5 million
Total Other Nations	\$88.0 million

Total Supplemental FY 2007 \$259.1 million

FY 2008 Additional Spending for Emergency Designations

FY 2008 Request: \$266.1 million

Drug Enforcement Administration

FY 2008 Request: \$8.5 million

The funding being sought for DEA under the Additional Spending for Emergency Designations in FY 2008 will provide the necessary follow-on support for those activities funded from the FY 2007 emergency supplemental request.

Defense Counternarcotics Support

FY 2008 Request: \$252.6 million

Defense requests additional emergency funding in FY 2008 to complete certain non-recurring counternarcotics interdiction efforts in Afghanistan and neighboring countries. The counternarcotics support objective is to assist in developing Afghan security forces and supporting networks and facilities that will provide the Afghan government the capacity to effectively address the drug problem in their country.

With additional funding, the Defense Department can conduct the following non-recurring activities in support of the *Afghanistan Embassy Counternarcotics Implementation Plan that includes*, providing support for DEA, National Interdiction Unit (NIU) within the Counternarcotics Police of Afghanistan (CNPA) by providing training, equipment, and facilities; improving air mobility support for the NIU/CNPA; developing Intelligence Fusion Centers and providing tactical and strategic intelligence; improving Border Police through tactical unit training and providing communications systems; and improving regional capabilities against the Afghan narcotics trade.

Glossary

Actuals

A common term used to refer to data on actual performance compared to goals.

Baselines

The starting point from which gains are measured and targets are set.

Budget Authority

Authority provided by law to incur financial obligations that will result in outlays.

Demand Reduction

Activities conducted by a National Drug Control Program agency, other than law enforcement, intended to reduce the willingness of individuals to use illicit drugs. Demand reduction activities include: drug use education; drug abuse prevention; drug abuse treatment; drug abuse research; drug abuse rehabilitation; drug-free workplace programs; and, drug-testing.

Domestic Law Enforcement

A Drug Control Budget category that combines resources for the following functional units: investigations, intelligence, state and local assistance, and law enforcement research.

Drug Budget Decision Units

Drug budget decision units correspond to discrete program categories that are identifiable components of budget accounts enumerated in the Budget of the President.

Drug Control Functions

Drug control functions correspond to the nine specific program areas that encompass all possible drug control activities: (1) Prevention; (2) Treatment; (3) Interdiction; (4) International; (5) Investigations; (6) Intelligence; (7) State and Local Assistance; (8) Research and Development; and, (9) Prosecution.

Drug Methodology

The process by which drug-related financial statistics identified for certain agencies or bureaus are calculated. The following bureaus utilize a drug methodology for

calculating their aggregate portion of the National Drug Control Budget: Immigration and Customs Enforcement, Customs and Border Protection, U.S. Coast Guard, and Veterans Health Administration. All bureaus utilize a drug methodology for presenting their drug budget by drug control function.

Efficiency Measures

Metrics that indicate what outcomes or outputs are realized for a given level of resource use.

Enacted

The drug-related budget authority approved by Congress for the current fiscal year.

Final

The drug-related budget authority approved by Congress, net of rescissions and transfers, for the fiscal year most recently closed.

Fiscal Year

The fiscal year is the Federal Government's accounting period. It begins on October 1st and ends on September 30th. For example, fiscal year 2008 begins on October 1, 2007, and ends on September 30, 2008.

Full-time Equivalents (FTEs)

Civilian employment in the Executive Branch is measured on the basis of full-time equivalents. One FTE is equal to one fiscal work year. Thus, one full-time employee counts as one FTE, and two half-time employees also count as one FTE.

Government Performance Results Act (GPRA)

The Government Performance and Results Act of 1993 requires Federal agencies to identify both long-term and annual goals, collect performance data, and justify budget requests based on these data.

Intelligence

Activities or programs with a primary focus to provide guarded information for use by national policy makers, strategic planners, or operational/tactical elements, principally in the areas of national security and law enforcement. Activities include collecting, processing,

analyzing, and disseminating information related to drug production and trafficking organizations and their activities (including transportation, distribution, and finance/money laundering). Additional activities include assessing the willingness and ability of foreign governments to carry out effective drug control programs.

Interdiction

Activities designed to interrupt the trafficking of illicit drugs into the United States by targeting the transportation link. Specifically, interdiction involves intercepting and ultimately disrupting shipments of illegal drugs, their precursors, and the profits of drug distribution.

International

Activities primarily focused on areas outside of the United States, including a wide range of drug control programs to eradicate crops, seize drugs (except air and marine interdiction seizures), arrest and prosecute major traffickers, destroy processing capabilities, develop and promote alternative crops to replace drug crops, reduce the demand for drugs, investigate money laundering and financial crime activities, and promote the involvement of other nations in efforts to control the supply of and demand for illicit drugs.

Investigations

Federal domestic law enforcement activities engaged in preparing drug cases for the arrest and prosecution of leaders and traffickers of illegal drug organizations, seizing drugs and assets, and ensuring that federal laws and regulations governing the legitimate handling, manufacturing, and distribution of controlled substances are properly followed.

National Drug Control Program Agency

An agency that is responsible for implementing any aspect of the National Drug Control Strategy, including any agency that receives Federal funds to implement any aspect of the National Drug Control Strategy, but does not include any agency that receives funds for a drug control activity solely under the National Foreign Intelligence Program, the Joint Military Intelligence Program, or Tactical Intelligence and Related Activities, unless such agency has been designated – (A) by the President; or (B) jointly by the Director [of ONDCP] and the head of the agency.

Outcome Measures

Measures that indicate the intended result or impact of carrying out a program or activity. Outcomes may relate to society as a whole or to the specific beneficiaries of programs, depending on the size and reach of the program.

Output Measures

Metrics that indicate the goods and services produced by a program or organization and provided to the public or others.

Performance Measures

Indicators or metrics that are used to gauge program performance. Performance measures include outcome and output measures.

Program Assessment Rating Tool (PART)

An analytical device used to evaluate program effectiveness and inform budget, management, and legislative decisions aimed at improving performance. It consists of a series of questions about program purpose and design, strategic planning, management, and results. Answers to PART questions require specific evidence to prove program effectiveness. PART summaries and assessment details are available on the ExpectMore.gov website.

President's Management Agenda

A strategy to improve the management and performance of the Federal Government. The Agenda includes five Government-wide initiatives and multiple program-specific initiatives. The five Government-wide initiatives are: (1) Strategic Management of Human Capital; (2) Competitive Sourcing; (3) Improved Financial Performance; (4) Expanded Electronic Government; and, (5) Budget and Performance Integration.

Prevention

Activities focused on discouraging the first-time use of controlled substances and outreach efforts to encourage those who have begun to use illicit drugs to cease their use.

Prosecution

Federal activities related to the conduct of criminal proceedings against drug trafficking and money laundering organizations, with the aim of bringing a civil or criminal judgment against their members, forfeiting their assets, divesting leaders of their power, and, as appropriate, extraditing, deporting, and excluding their members.

Request

The budget authority proposed in the Budget of the President, which is submitted to Congress for consideration on the first Monday in February of every year.

Research and Development

Activities intended to improve the capacity, efficiency, or quality of drug control activities.

State and Local Assistance

Federal drug control assistance to help state and local law enforcement entities reduce drug-related violent crime and the availability of illegal drugs.

Supply Reduction

Any activity or program conducted by a National Drug Control Program agency intended to reduce the availability of drugs in the United States and abroad. Supply reduction activities include: international drug control; foreign and domestic drug intelligence; interdiction; and, domestic law enforcement.

Targets

Quantifiable or otherwise measurable characteristics that tell how well a program must accomplish a specific performance measure.

Treatment

Activities focused on assisting regular users of controlled substances to become drug-free through such means as counseling services, in-patient and out-patient care, and the demonstration and provision of effective treatment modalities.

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